



**WATERFORD SCHOOL DISTRICT  
REQUEST FOR PROPOSAL**

**PROJECT: PROFESSIONAL AUDIT SERVICES**

# BID PROPOSAL PACKET

Waterford School District will receive sealed bid proposals until 2:00 PM, on Wednesday, March 6, 2024 for specified project.

Bid Opening Date

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All bids must be submitted electronically to BidNet Direct and uploaded to:

Website: [www.bidnetdirect.com](http://www.bidnetdirect.com) Re: Professional Audit Services

Project will be presented to the Board of Education on:

Date: March 7, 2024

Sealed bids will be publicly opened and read aloud on:

Date: March 6, 2024 at 2:00 PM

**Via Zoom:** Meeting Invitation Link:

<https://us05web.zoom.us/j/84696182988?pwd=4kKHi38jkWY2fJEuTeDizL1Qjs1WYw.1>

Meeting ID: 846 9618 2988

Passcode: 9JtQQW

Interview (optional at District discretion) March 12 or March 13, 2024 Time TBD

Bids presented to the Board of Education on:

Date: March 21, 2024

**Location:** Waterford Township Auditorium  
5200 Civic Center Drive  
Waterford, MI 48329

Event: Board Meeting – Time: 6:30 PM

Questions should be addressed to:

all questions are due by end of day on February 28, 2024

Sandra Elka, Assistant Superintendent, Business & Operations  
[ElkaS01@wsdmi.org](mailto:ElkaS01@wsdmi.org) 248-682-0524

## **SPECIFICATIONS**

**SCOPE OF WORK:** Waterford School District (the District) is soliciting proposals for professional audit services to establish a five-year contract beginning with an audit of the financial statements for the fiscal year ending June 30, 2024. The following Request for Proposal (RFP) is being provided to you for your consideration. To be considered for this engagement, your firm must meet the qualifications and satisfy the requirements set forth in this RFP.

### **SCOPE**

It is the intent of the District to award this audit proposal for a five (5) year period, beginning with an audit of the financial statements for fiscal year ending June 30, 2024.

The audit specification should include:

- Audit of the District's Financial Report with Supplemental Information, including preparation of the financial section of the report
- Audit of the Single Audit Report in compliance with Uniform Guidance.
- End of Audit Report to the Board of Education including the Communication to those Charged with Governance (AU 260 letter).
- Preparation and filing of the Data Collection Form with the Federal Clearinghouse
- An annual compliance audit of bonded construction fund expenditures in accordance with the requirements of the applicable section of the Revised School Code
- Pre-audit Communication to Those Charged with Governance.
- Electronic filing of the comprehensive annual financial report, single audit report and AUC 260 letter /management letter with MDE.
- Audit procedures should follow auditing standards as promulgated by MDE, Michigan Department of Treasury, GASB, AICPA, and the U.S. General Accounting Office.

### **OTHER REQUIREMENTS**

- Personal presentation of the final reports to the Board of Education by an audit manager or partner of the firm.
- Provide advice in correcting errors and procedural shortcomings identified during the audit.

### **AUDIT PLAN**

The auditor will be required to use a comprehensive audit plan and, to the extent permissible, must be willing to review this plan with the District. The plan should cover the study and evaluation of the internal controls and the test of records to the extent necessary by the degree of such reliance. It is assumed that many of the tests will be conducted by a sampling of the records maintained in the files. It is understood that the auditor is responsible for the auditing procedures that in his or her professional judgment are considered necessary in the circumstances. Such judgments must consider the materiality of the audit area, the relation to specific standards and the relation to expressing an opinion on the statements as a whole. The District officials should be consulted when such judgments result in a disproportionate amount of effort being expended on a subject.

**COMMUNICATION**

The auditor will maintain regular contact and meetings with District administrators and other personnel during the audit and throughout the year, including but not limited to:

- Engagement planning meeting
- Progress reports
- Closing review meeting
- Changes that would affect the reporting requirements
- Sharing of innovative methods and procedures that may warrant investigation and/or consideration
- Newsletters or other communications containing information to benefit the district
- Attend Board of Education meeting annually to review and present the audit reports and results of the audit.

**AUDIT TIMELINE**

- Preliminary/interim audit work to commence at such time as mutually agreed upon (prior year's work performed June 28-29)
- Final audit fieldwork to commence in September 2024 at such time as mutually agreed upon (prior year's work performed September 11-22)
- Audit documents to be delivered to the District each year in order to meet audit deadlines set by the Michigan Department of Education.
- Public presentation of Financial Statements to the Board of Education during November Board Meeting scheduled for Thursday, November 21

It is the intent to award this Request for Proposal at the March 21, 2024, meeting of the Board of Education. After proposals are opened, evaluated, and approved by the Board of Education, a letter of award confirming acceptance will be sent to the selected firm. The contract in support of this award will be in the form of a signed audit engagement letter.

**FIRM/AUDITOR QUALIFICATIONS**

- The firm is properly licensed for public practice as certified public accountants.
- The firm meets the independence and continuing professional education requirements of Government Auditing Standards-Standards for Audit of Governmental Organizations, Programs and Activities and functions and the 2011 revision published by the U.S. General Accounting Office.
- Please attach your firm's most recent Peer Review report. If the firm's most recent report was qualified, please disclose the reasons for the qualification.

- The firm will provide a profile of the professional responsible for the overall management of the audit. The auditor must be fully informed regarding generally accepted accounting principles and auditing procedures, including those in the development stages.
- The firm shall identify the audit manager, field supervisors and other staff who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for the audit manager, field supervisor, and partner in charge of the engagement should be included with the proposal.
- The firm must maintain a sufficient number of professional staff in order to provide adequate technical expertise and depth.
- The firm and the partner assigned to the District must have considerable experience in auditing school districts within the State of Michigan.
- The auditor is expected to be familiar with the types of policies and procedures school districts follow.
- Assurance must be given that during the life of the engagement there will be some continuity in the assignment of audit staff. It is to the mutual interest of the District and the audit firm that there will not be dramatic changes in audit staff every year.
- The firm's professional staff must be trained specifically in auditing and accounting for school districts.
- The firm must be actively involved in school financial organizations on a local, county, state and national level.
- All assistants must be properly trained and supervised, and their work adequately planned.
- The firm must have an excellent reputation for service in school district auditing.

#### **NUMBERS OF COPIES OF AUDIT REPORTS**

The auditor shall furnish the District with fifteen (15) bound copies and an electronic version of the Comprehensive Annual Financial Statements, Independent Auditors' Report, Single Audit Report and Report to the Board of Education.

#### **REFERENCES**

The auditor shall furnish a complete and current client service listing for school district clients based in Michigan. The auditor shall identify school district clients with student populations over 7,000.

#### **ADDITIONAL DATA**

Please provide any additional information or data which you feel is relevant and may be helpful in the selection process such as references from current/past school district clients.

#### **DISTRICT INFORMATION**

For information regarding Waterford School District, its funds, revenue, expenditures and other relevant information, you can review the District's Annual Financial Report and Federal Awards Report available on-line at [www.waterford.k12.mi.us](http://www.waterford.k12.mi.us) under the Transparency Reporting page.

## **EVALUATION AND SELECTION PROCESS**

Proposals will be evaluated with a strict emphasis on quality. The federal government has the authority to review the audit report and audit work papers to ascertain the quality of the audit. Furthermore, the citizens expect quality stewardship of all available resources. As such, the primary emphasis of procuring audit services will be the quality of technical factors of the audit firm. Attributes that will be analyzed include, but are not limited to:

- Number of Michigan school districts audited by office of proposing CPA firm
- Involvement in school-related organizations
- Training of personnel in governmental and federal grant auditing
- Firm school district resources available
- Quality of staff included in assignment
- Reference responses
- Maintenance of a secondary partner on the engagement
- Internal quality control procedures and external quality control reviews
- Ability to communicate audit results in an effective manner
- Ability to provide additional school-specific services to the district
- Reputation of the firm within the State of Michigan for service in school district auditing

After the technical qualities have been evaluated, cost and other considerations will be evaluated. Waterford School District may, at its option, elect to conduct oral presentations with selected bidders still under active consideration. Waterford School District is not required to hold such presentations and is not obligated to provide all bidders with such an opportunity. Once all factors have been evaluated, the audit firm that is deemed to be most qualified and best meets the District's criteria will be selected for recommendation to the Board of Education.

## **AUDIT PROPOSAL FORM**

Please include responses to the following questions in your bid proposal with any additional information you feel is necessary to help us evaluate your firm. **Proposals are due by 2:00 PM on Wednesday, March 6, 2024.**

### Qualifications

1. Location of the office that will be performing the audit for (school district)
2. Number of Michigan school district audits that your firm conducted in each of the last three years. Please attach a list of school districts.
3. Number of other governmental (fund accounting) audits your firm has conducted in each of the last two years.
4. Provide a list of your firm's involvement in school district-type organizations.
5. Please list specific school district audit training supplied to your staff in the last two years.
6. Number of total audit staff and number of audit staff with CPA certification. Do not include tax, consulting services or clerical personnel.
7. Number of staff as defined in the question above who were directly involved in a significant portion of the audit of a school district in the last two years.
8. Of your staff assigned in school audits, how many years of experience have they had performing school audits (total and with your firm).
9. What type of consultation do you provide to the school district at no additional cost on an annual and ongoing basis?
10. Provide a synopsis of other management consulting services available with the number of staff specifically assigned to each. List examples of studies you have done for various school districts.
11. Indicate other fee-based services that are available to your school district audit clients
12. List fees for each of the five years from Fiscal Year 2023-24 to Fiscal Year 2027-28 for:
  - a. Annual Financial Report
  - b. Single Audit
  - c. Bond Audit
  - d. New GASBs
  - e. Other – list with cost
13. Include five references with school district, contact name, and number.
14. Include any exceptions to specifications.

Addendum(s): Number(s): \_\_\_\_\_ Date(s): \_\_\_\_\_

My signature certifies that the Proposal as submitted complies with all terms and conditions as set forth in this Request For Proposal and the Contract, unless specifically enumerated as an exception as part of our Proposal.

I hereby certify that I am authorized to sign as a Representative for the firm.

**Company:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Attach additional pages if necessary for complete proposal.



## **CONDITIONS**

Information given in this Conditions section are peculiar to this project, necessary for the progress of the work, and shall be provided as described herein. Throughout this Conditions section, Waterford School District is referred to as the "Owner" and the successful bidder as the "Contractor." All other parties involved and contracted by the Owner are referred to as the "Owner's Representatives."

### **Bidding and Contract Information**

1. The *Bid Proposal Packet* shall be filled in completely, giving all information called for herein. Should any bidder refuse to hold its bid firm for the required period or refuse to enter into a contract in accordance with the terms of its proposal, the Owner reserves the right to disqualify its bid and may consider this factor with respect to any future bids made by such bidder, and may refuse to consider same for that reason.
2. All pages and documents, and the information requested within the *Bid Proposal Packet* section, must be furnished completely in strict compliance with the bidding submittal requirements. The manner of submission is essential to permit prompt evaluation of all bids on a fair and uniform basis. Accordingly, the Owner reserves the right to declare as non-responsive, and reject, any bid which is incomplete or where material information requested is not furnished, or where indirect or incomplete answers or information is provided.
3. Bidders are cautioned that any alternative bid(s), unless specifically requested, or any changes, insertions, or omissions to the terms and conditions of these specifications, may be considered non-responsive, and at the option of the Owner, may result in rejection of the bid(s).
4. Any bid received at Waterford School District Central Office or through BidNet Direct designated herein, after the exact time specified for receipt, may not be considered.
5. The Owner reserves the right to postpone the bid opening for its own convenience.
6. Bidders shall fill in the number and date of each addendum on the *Bid Proposal Packet*.
7. Should a bidder find apparent discrepancies in, or omissions from, the bidding documents, or should it be in doubt as to their true meaning, or should it have any questions regarding any work or materials intended by the bidding documents, then such bidder, either Contractor or Subcontractor, shall immediately notify the Owner of such questions. The Owner will issue an addendum to all Contractors recorded in its office as being bidders for the specific project. It shall be the responsibility of the Contractors on record to provide all its Subcontractors with the information contained in these addenda.
8. THE OWNER RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS AND TO WAIVE INFORMALITIES AND MAJOR IRREGULARITIES IN BIDS RECEIVED.
9. THE OWNER RESERVES THE RIGHT TO WAIVE ANY INFORMATION IN THE BIDS, OR REJECT ANY OR ALL BIDS, IN WHOLE OR IN PART, SHOULD IT BE DEEMED IN ITS BEST INTEREST TO DO SO.
10. THE OWNER RESERVES THE RIGHT TO ACCEPT OR REJECT ANY/ALL BIDS, OR ANY PORTION THEREOF, AND TO ACCEPT ANY BID WHICH SHALL BEST SERVE THE DISTRICT.

**BID DISCLOSURE STATEMENT – FAMILIAL RELATIONSHIP**

Pursuant to MCL 380.1267, a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the bidder and any member of the Waterford School District School Board or the Waterford School District Superintendent must be accompanied with the bid. **Bids without this disclosure statement will not be accepted.**

The members of the Waterford School District School Board are: Patrick Donohue, Julie Josselyn, Robert Petrusha, Jr., Michael Ristich, Joan Sutherland, John Paul Torres, and Kristen Wagner.

The Waterford School District Superintendent is: Scott A. Lindberg

The Following are the familial relationships:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

There are none.

STATE OF MICHIGAN        )  
  ) ss  
COUNTY OF \_\_\_\_\_)

The undersigned, authorized representative of bidder (insert name) \_\_\_\_\_  
does hereby acknowledge that bidder has read the foregoing disclosure statement and the  
statements herein contained are true.

\_\_\_\_\_  
Signature of Bidder Representative

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Notary Public, \_\_\_\_\_ County, Michigan

**CERTIFICATION OF COMPLIANCE – IRAN ECONOMIC SANCTIONS ACT**  
**Michigan Public Act No. 517 of 2012**

The undersigned, the owner, or authorized officer of the below-named company (the "Company"), pursuant to the compliance certification requirement provided in the Waterford School District's Request For Proposal (the "RFP"), hereby certifies, represents, and warrants that the Company (which includes its officers, directors and employees) is not an "Iran Linked Business" within the meaning of the Iran Economic Sanctions Act, Michigan Public Act No. 517 of 2012 (the "Act"), and that in the event the Company is awarded a contract by the Waterford School District as a result of the aforementioned RFP, the Company is not and will not become an "Iran Linked Business" at any time during the course of performing any services under the contract.

The Company further acknowledges that any person who is found to have submitted a false certification is responsible for a civil penalty of not more than \$250,000.00 or two (2) times the amount of the contract or proposed contract for which the false certification was made, whichever is greater, the cost of the Waterford School District's investigation, and reasonable attorney fees, in addition to the fine. Moreover, any person who submitted a false certification shall be ineligible to bid on a request for proposal for three (3) years from the date that it is determined that the person has submitted the false certification.

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

STATE OF MICHIGAN        )  
  ) ss  
COUNTY OF \_\_\_\_\_)

The undersigned, authorized representative of bidder (insert name) \_\_\_\_\_  
does hereby acknowledge that bidder has read the foregoing disclosure statement and the  
statements herein contained are true.

\_\_\_\_\_  
Signature of Bidder Representative

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Notary Public, \_\_\_\_\_ County, Michigan