



GENESEE COUNTY PURCHASING
A Division of the Genesee County Controller's Office
COUNTY ADMINISTRATION BLDG
1101 BEACH STREET, ROOM 361,
FLINT, MICHIGAN 48502
Phone: (810) 257-3030
www.gc4me.com

July 22, 2019

Re: ADDENDUM #1
Bid# 19-196 Financial and Compliance Audit Services for GCMPC

The purpose of this addendum is to provide responses to questions that have been received for the aforementioned request and minutes from pre-bid meeting.

Vendors must indicate receipt of this addendum by adding the following on the proposal form and on the exterior of the envelope containing your proposal:

ADDENDUM #1 RECEIVED

The due date for this request remains on **Thursday, July 25, 2019, before 3:00 PM (EDT)**

All bids must be received at:
Genesee County Purchasing Department
1101 Beach Street, Room 361
Flint, MI 48502

Derrick Jones, Purchasing Administrator

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Question and Answer:

1. Are there any significant changes anticipated at the Commission?
No changes are currently anticipated at the Commission.
2. How long has your current firm performed the audit?
Current firm has performed auditing services for twelve years.
3. Are they invited to bid again?
Yes, they are invited to bid again.
4. What is the reason for issuing the RFP?
Following Genesee County Purchasing requirements.
5. Were there any disagreements with the prior auditor?
There are no disagreements with the prior auditor.
6. What is the size of the accounting staff at the Commission?
The accounting staff size is two.
7. How many journal entries have auditors recommended in past few audits?
Last year auditor recommended two journal entries.
8. Do you expect a similar result in the next 3 years?
Yes.
9. For audit fieldwork, how many auditors are typically on site and for how many days?
There is typically one auditor on site for audit fieldwork. The individual is on site for approximately 5 days.
10. What is the anticipated or desired timing of fieldwork?
December.
11. Do you anticipate any changes to federal awards programs or amounts awarded in the next 3 years?
No, we do not currently anticipate any changes to federal awards programs or amounts awarded in the next 3 years.
12. What were the Commission's audit fees for the past 3 years?
To get a copy of the fees for past audits, your company may submit a Freedom of Information request (FOIA) with the County's Legal Department.
13. Did this include additional nonattest services (services in addition to financial statement audit and preparation of the financial statements)?
No additional non-attest services were included.
14. To what extent is the auditor involved in preparing the financial statements?
The auditor is heavily involved in the preparation of financial statements with assistance of management.
15. What general ledger software do you use?
We utilize GemStone-GEMS-Government e-Management Solutions general ledger software.
16. Which other key applications, if any, do you use?
We utilize Microsoft Office Excel application for tracking purposes also.

17. What is the most vital quality you are looking for in an audit firm?
The most vital qualities we look for in an audit firm is commitment to quality and integrity.
18. When are the final financial statements expected to be delivered?
February.
19. What audit presentations are anticipated?
Presentations to GCMPC.
20. Are Federal funding levels expected to be over \$750,000 for the foreseeable future?
Yes.
21. Please discuss how the financial statement amounts (liabilities and deferred amounts) were calculated and the reason that full GASB 68 and 75 disclosures and RSI are not available.
Please refer to Genesee County's CAAFR.
22. Is this expected to be an ongoing disclosure methodology?
Yes.
23. Does GCMPC maintain its own capital assets (and related depreciation) records or is this maintained by the auditors?
Yes, the records are maintained by Genesee County Metropolitan Planning Commission.

PRE-PROPOSAL MEETING
Thursday, July 11, 2019
#19-196 Financial and Compliance Audit
Services for GCMPC

Present:

Derrick Jones, Purchasing Administrator, Genesee County Purchasing
Derek Bradshaw, Director-Coordinator, Genesee County Metropolitan Planning
Commission
Nicole Lewis, Accounting Supervisor, Genesee County Metropolitan Planning
Commission
Bill Tucker, Maner Costerisan

Derrick Jones, Purchasing Administrator of Genesee County, introduced himself and thanked everyone for attending.

Mr. Jones reviewed some items in the RFP.

- ❖ This is proposal 19-196 for Financial and Compliance Audit Services. Bids are due on July 25, 2019 by 3:00 p.m. Bids must be submitted to the Genesee County Purchasing Department, which is located on the 3rd floor, room 361 – within the Controller's Department.
- ❖ Please submit one original, one copy, and one electronic copy of your proposal.
- ❖ Any communications, modifications, clarifications and amendments to this RFP shall be made by and through the Purchasing Department contact, Derrick Jones.
- ❖ A proposed contract is included in the RFP (page 15). Please review and note any exceptions to the contract in your proposal.
- ❖ The County's Insurance checklist is included in the RFP (page 13). Please review and note the required signature.
- ❖ Standard Terms and Conditions are available on the Purchasing website and a link is provided in Section 2 of the RFP.
- ❖ This RFP is issued by the Genesee County Purchasing Department for the Genesee County Metropolitan Planning Commission (GCMPC). Contact information is in Section 3, number 1.
- ❖ Any questions concerning this RFP must be submitted in writing by Thursday, July 18, 2019 by 5:00 p.m. E-mail is the preferred method of contact for questions.
- ❖ Responses to questions will be done via an addendum, which will be posted on the Purchasing website under this proposal number.
- ❖ Please note Section 3, number 5 states that the proposals submitted are binding for 120 days. Any exceptions to the proposal itself, or the proposed contract, must be acknowledged in your submission. Failure to furnish any type of exceptions will mean that the proposer agrees to meet all requirements of the solicitation.
- ❖ Insurance requirements are in Section 4. Please review those.
- ❖ Minimum qualifications are in Section 5. Specifically, under number 2, you will see items listed a through f.
- ❖ The purpose of this proposal is in Section 6. We are looking for individuals that are qualified under Michigan Law and regulations to an annual financial and compliance audit for GCMPC. Proposers shall work in accordance with the

requirements of the State of Michigan and the Federal Government. The audit period is for the fiscal year ending September 30, 2019 and the contract may be renewed to include fiscal years ending 2020 and 2021.

- ❖ The Scope of Work is listed in Section 7 and the Technical Proposal is listed in Section 8.
- ❖ Section 9 is information required from proposers. We ask that you follow the format in terms of submitting your proposal and the information that is required for the proposal.
- ❖ Section 11 describes the evaluation criteria and the evaluation tool is on page 10. The proposals will be evaluated by GCMPC.
- ❖ During the bid opening the name of the companies that submitted proposals are acknowledged, however, no pricing information is provided at the opening. The bids will then go to the Genesee County Metropolitan Planning Commission for evaluation.

Q1: Are you expecting to have in excess of \$750,000 in federal dollars expended in each of the three years? Is it normal to have a single audit?

A1: Yes.

Q2: How would you like us to separate the cost for having a single audit and not having a single audit? The cost proposal section doesn't allow for that.

A2: An additional line can be added to the cost proposal. For example, the cost with a single audit and the cost without a single audit. Our expectation is that we will have a single audit.

Q3: Are you happy with your current auditors and their services?

A3: Yes. We haven't experienced any issues with our auditors. It is a one-year with two extensions contract, and we have renewed it each year.

Q4: How many auditors did they have in the field for the audit last year and how long were they on site?

A4: We provide them with information prior to the audit. They typically send one person and block out one week, however, they are usually here for four days.

Q5: How many journal entries were proposed by your auditors last year?

A5: I believe it was one or two journal entries.

Q6: One of the biggest things I noticed was related to your net pension and net OPEB liabilities. The disclosure says to see the County's financial statements. Overall, it felt like the disclosure was lacking. You have liabilities there, your proportionate share of the County's over-all pension. There wasn't really a disclosure indicating how much your liability was of the financial statements. What are your thoughts on that? Are you comfortable with that?

A6: The biggest challenge with the liabilities is this audit ends up getting rolled up into the over-all County audit. Those numbers and that process come down from above. How the County calculates that number is challenging, because they do the calculation off the existing number of people in that program. There is a disclosure in note b in our financial statements that provides more information about that because the liability is reported in the County's financial statement. You

do kind of have to do a cross reference and look at the Genesee County financial report in order to get the bigger picture.

Q7: On the pension OPEB. What year-end is the County?

A7: September.

Q8: How quickly available are those numbers to the Planning Commission?

A8: We try to get our year-end numbers in November but sometimes we don't get them until December because we must wait for the actuary to provide that information to our Controller. The Controller then provides us with supporting documentation to be included in our audit.

Q9: Are they disclosing the fees that were paid in the previous year?

A9: No.