



Eaton County
Road
Commission

REQUEST FOR PROPOSAL
FOR
INDEPENDENT AUDITING SERVICES

FOR THE FISCAL YEARS ENDING SEPTEMBER 30, 2018
THROUGH SEPTEMBER 30, 2020

Contact: Lori N. Friedlis, CPA, *Finance Director*

1112 Reynolds Road | Charlotte, MI 48813

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lfriedlis@eatoncountyrroad.com

www.eatoncountyrroad.com

INTRODUCTION

The Eaton County Road Commission (ECRC) is requesting proposals from qualified firms of Certified Public Accountants to audit its financial statements for the fiscal years ending September 30, 2018 through September 30, 2020. These audits are to be performed in accordance with generally accepted auditing standards applicable to financial audits as contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and with the applicable standards set forth by the following:

- Government Accounting and Standards Board (GASB);
- American Institute of Certified Public Accountants (AICPA);
- Government Finance Officers Association (GFOA);
- U.S. Office of Management and Budget Circular A-133, if required; and the
- Michigan Department of Treasury

To be considered, proposals must be received by the Eaton County Road Commission at 1112 Reynolds Road, Charlotte, MI 48813, Attn: Lori Friedlis, by 4:30 pm, August 24, 2018. Proposals may be delivered electronically to lfriedlis@eatoncountyroad.com. Proposals will be evaluated and a selection made on August 28, 2018.

The Board of Eaton County Road Commissioners reserves the right to reject any or all proposals, waive irregularities and to make the award in any manner deemed in the best interest of the Road Commission.

There is no expressed or implied obligation for ECRC to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

ECRC reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal submitted.

A 3-year contract is contemplated, with the option to renew for two additional years by mutual agreement. Each year shall be subject to the annual review of the Eaton County Road Commission.

DESCRIPTION OF THE EATON COUNTY ROAD COMMISSION

The Eaton County Road Commission was established in 1912 by resolution of the County Board of Supervisors and now maintains over 1,170 miles of county roads, including 500 miles of gravel surfaced roads.

ECRC is a discretely presented component unit of Eaton County and is governed by a five-member Board. Road Commissioners are appointed to six-year terms by the Eaton County Board of Commissioners.

The main office and garage of the Road Commission is located in Charlotte, just southwest of Lansing, Michigan. ECRC also maintains satellite garages in Vermontville and Delta Township. ECRC employs approximately 35 full-time employees who provide routine maintenance and support services for the county road system. Most construction, heavy maintenance work and some routine maintenance operations are performed by contractors selected through competitive bids.

ECRC has no taxing authority and receives most of its funding from fuel taxes and vehicle registration fees via the Michigan Transportation Fund (MTF). Additionally, in 2014, Eaton County voters approved a 12-year, 1.5 mill property tax levy to fund the rehabilitation and repair of the County's local road system.

Additional financial and budgetary information may be found on the Road Commission's website at www.eatoncountyroad.com.

Contact and Personnel Information

The principal contact with ECRC will be Lori N. Friedlis, CPA, Finance Director, who will coordinate the assistance to be provided by the Road Commission.

The Finance Director and staff are responsible for routine accounting tasks, financial statement preparation, and budgeting and reporting.

An organizational chart is attached for reference.

Financial and Data Processing Systems

ECRC uses Precision Road Software to perform traditional accounting functions as well as to manage fixed assets and road equipment, human resources, material and parts inventory, fleet maintenance, permits and service requests. Precision Road Software is a specialized program for road commissions.

NATURE OF SERVICES REQUESTED

The objective of the audit is to express an opinion on the fair presentation of the Eaton County Road Commission's financial statements in conformity with generally accepted accounting principles.

The auditor shall also be responsible for performing certain limited procedures involving supplementary information required by the GASB as mandated by generally accepted auditing standards.

If required, the auditor shall be responsible for a "Single Audit." ECRC is not required to have a "Single Audit" for the fiscal year ending September 30, 2018 and does not expect to require one during the years covered by this proposal.

It is anticipated that Eaton County Road Commission records will be ready for auditing by December 1st of each year. A draft audit report shall be delivered by January 31st of each year. Preliminary records may be made available upon request. This schedule may be altered upon agreement of both parties.

ASSISTANCE TO BE PROVIDED TO THE AUDIT TEAM

The Eaton County Road Commission Finance Director and staff, and other management personnel will be available during audit fieldwork to assist the audit team by providing information, documentation and explanations as requested.

The Finance Director and staff will prepare or provide statements and schedules wherever possible and appropriate, and as requested by the audit team, and do so in a timely manner so as not to delay the issuance of the audit report.

Report preparation, editing and printing shall be the responsibility of the audit firm.

If necessary, Road Commission staff and/or a third-party information technology consultant will be available to provide assistance with systems documentation and explanations.

ECRC will provide the audit team with a reasonable workspace and reasonable access to telephones, copiers, fax machines and internet access.

PROPOSAL REQUIREMENTS

Inquiries concerning this Request for Proposal and the services to be provided must be made to:

Lori N. Friedlis, CPA, *Finance Director*
Eaton County Road Commission
1112 Reynolds Road
Charlotte, MI 48813
517-543-1630 ext 202
lfriedlis@eatoncountyroad.com

Proposals must be received in the office of the Eaton County Road Commission by 4:30 pm on August 24, 2018. Proposals may be submitted electronically via e-mail. ECRC reserves the right to reject any or all proposals submitted after this date.

The purpose of the proposal is to demonstrate the competence, experience and capability of the firm submitting the proposal. As such, the substance of the proposals will carry more weight than their form or manner of presentation. The proposal should demonstrate the capabilities of the firm and should identify the audit approach that will be used to meet the RFP requirements.

Specifically, proposals shall include the following:

- An affirmative statement that the firm is independent of the Eaton County Road Commission, the County, and any other component units of that entity;
- An affirmative statement that the firm and all key engagement personnel are licensed to practice in the State of Michigan;
- A history and description of the firm and its governmental audit practice, highlighting Michigan road commission experience;
- The location of the office from which work on this engagement will be performed, and the number and nature of the staff expected to perform the audit. Please include the resumes of the principal and "in-charge" professional expected to be assigned to the engagement;
- References from similar engagements, including the scope and dates of the engagement, and the name, telephone number and e-mail address of the principal client contact(s);
- A work plan, including an explanation of the audit methodology to be followed;
- Total fees for each fiscal year to be audited, including the years subject to the optional renewal, inclusive of expenses but excluding the cost of preparing a "Single Audit;"
- The additional annual fee for preparing a "Single Audit," if one is required;
- The hourly rate structure of the firm to be utilized in the event that additional work is requested;
- An affirmative statement that the firm agree to the provisions contained in this Request for Proposal; and
- A copy of the firm's most recent Peer Review Report.

EVALUATION PROCEDURES

Road Commission staff will evaluate the proposals and make a recommendation to the Board of Eaton County Road Commissioners at its regular meeting on August 28, 2018 at 6:00 pm. It is anticipated the Board will make its selection at that same meeting.

The Board of Eaton County Road Commissioners reserves the right to reject any or all proposals, waive irregularities and to make the award in any manner deemed in the best interest of the Road Commission.

NON-DISCRIMINATION

The Eaton County Road Commission, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

BOARD OF EATON COUNTY ROAD COMMISSIONERS
 Duane A. Eldred, Chair
 Timothy J. Lamoreaux, Vice Chair
 Jerry L. Frazier, Benjamin S. Lyons, Dorothy E. Maxwell, Members

Engineer-Manager
 Blair E. Ballou, P.E.

Administrative Services
 Finance Director
 Lori N. Friedlis, CPA
 Staff (3)

Road Maintenance & Operations
 Superintendent
 Daniel Parshall

Sign Department
 Supervisor
 Steven Shaver
 Staff (2)

Engineering Department
 Assistant County Engineer
 Matthew Hannahs, P.E.
 Staff (3)

Building & Equipment
 Shop Foreman
 Jere Nelson
 Staff (5)

DELTA GARAGE

CHARLOTTE GARAGE

VERMONTVILLE GARAGE

Delta Area
 Area Supervisor
 Rocky Hitchcock
 Route Drivers & Equip Operators (4)

Eaton Rapids Area
 Area Supervisor
 Vacant
 Route Drivers & Equip Operators (4)

Bellevue Area
 Area Supervisor
 Vacant
 Route Drivers & Equip Operators (3)

Vermontville Area
 Area Supervisor
 Don Blakney
 Route Drivers & Equip Operators (4)

Serves:
 Benton Township (Summer)
 Delta Charter Township
 Oneida Charter Township
 Windsor Charter Township

Serves:
 Benton Township (Winter)
 Brookfield Township
 Eaton Township
 Eaton Rapids Township
 Hamlin Township

Serves:
 Bellevue Township
 Carmel Township
 Kalamo Township
 Walton Township

Serves:
 Chester Township
 Roxand Township
 Sunfield Township
 Vermontville Township