

Request for Proposal

**Branch-Hillsdale-St. Joseph Community
Health Agency**

**Professional Services to Conduct the
Annual Audit**

Issued By

**Administrative Services Department
Theresa Fisher, Administrative Services Director
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July 10, 2025

Proposal Due Date

**2:00 p.m. EST
August 8, 2025**

Proposals emailed to fishert@bhsj.org

NOTICE OF PROPOSAL

The Branch-Hillsdale-St. Joseph Community Health Agency is requesting proposals from qualified firms of certified public accountants to audit the financial statements of the Community Health Agency. The annual engagement will include:

1. Audit of the Community Health Agency's financial statements.
2. If required, compliance audit of the Community Health Agency's federal program in accordance with the Single Audit Act and the Uniform Guidance.
3. Required communication with those charged with governance.
4. Advice and assistance with the implementation of new accounting and auditing standards, as applicable to the Community Health Agency.

The Community Health Agency's contact person for this RFP is Theresa Fisher, Administrative Services Director. Her contact information is on the front cover.

The proposal should be emailed to fishert@bhsj.org with a subject of "2025 Audit RFP".

The audit periods under contract will be for the years ending September 30, 2025 through 2027 and may be extended at the discretion of the Community Health Agency for two (2) additional years.

AUDITING STANDARDS

The auditor's examination will be conducted in accordance with the standards for financial audits contained in Audits of State and Local Governments (and if necessary, compliance audit standards contained in the *Government Auditing Standards*, issued by the U.S. General Accounting Office, the Federal Single Audit Act and the Uniform Guidance) and, accordingly, will include any other tests of the accounting records and such other auditing procedures the auditors consider necessary in the circumstances, including the requirements of Michigan Act #2, PA of 1968, as amended.

ASSISTANCE PROVIDED BY THE COMMUNITY HEALTH AGENCY

The Community Health Agency will provide the auditor with balanced trial balances, general ledger reports, and all supporting documentation customarily supplied by an auditee. The auditor will be primarily responsible for drafting and preparing the financial statements, including accompanying footnotes, in accordance with Generally Accepted Accounting Principles (GAAP) and the State of Michigan's Uniform Reporting Format.

To support the audit process, the Community Health Agency will assist by retrieving invoices and other source documents, responding to auditor inquiries, and performing additional related tasks as mutually agreed upon in advance.

Workspace accommodations will be provided to the auditors, including reasonable access to the internet, telephones, and copy machines. However, the Community Health Agency intends to rely heavily on electronic media for the exchange of data and documents in order to minimize the use of paper.

FINANCIAL STATEMENT PREPARATION

Generally, the financial statement preparation assistance to be provided includes:

1. Prepare the various financial statement sections (including management's discussion and analysis, notes to the financial statements, and other supplementary information) from information provided, in whole or in part, from the Community Health Agency. Where provided in part, the bidder will need to assist and/or direct the Community Health Agency in obtaining the information necessary to complete those items.
2. Assist with GASB 34 entries (including the related analysis, as necessary).
3. Assist with the implementation of new accounting standards.

MANDATORY QUALIFICATION OF THE AUDITORS

The following information must be affirmed in the proposal response:

1. The proposer is properly licensed for public practice as a certified public accountant.
2. The proposer meets the independence requirements of the *Governmental Auditing Standards* published by the U.S. General Accounting Office.
3. The proposer does not have a record of substandard audit work. Please disclose the controls your firm has in place to ensure quality standards have been met. Also, disclose whether your firm is subject to an external quality control review process and enclose a copy of your firm's most recent peer review report.
4. The proposer has experience with financial and compliance auditing of district health departments.
5. The proposer has experience with financial and compliance auditing of Area Agencies on Aging.

MONITORING AND PRESENTATIONS

The Community Health Agency may request, from time to time, a report of the progress of the audit. In addition, prior to completion of the fieldwork, an audit exit conference will be held with management to discuss the results of the audit. The auditor will be expected to make a presentation to the Board of Health of the Community Health Agency.

TIME REQUIREMENTS

The Community Health Agency shall receive all proposal responses by 2:00 p.m. on August 8, 2025. Any proposals received after this time will not be considered. We

anticipate the successful bidder will be notified no later than September 30, 2025. All conditions in the bid are binding for 60 days from the date of proposal submission.

WORKING PAPERS

The working papers shall be retained for at least five (5) years. The working papers will be available for examination by authorized representatives of the State of Michigan and, if required, the cognizant federal audit agency and/or the General Accounting Office. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers related to matters of continuing accounting significance.

RIGHT TO REJECT

The Community Health Agency reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract(s) awarded as a result of this RFP will be based on the Community Health Agency's evaluation of all responses, applying all criteria and oral interviews, if necessary, that is determined to be in the best interests of the Community Health Agency. The final contract will be subject to approval by the Branch-Hillsdale-St. Joseph Community Health Agency Board of Health.

NUMBER OF COPIES OF AUDITOR'S REPORTS

The auditor shall furnish the Community Health Agency with an electronic copy and 18 paper copies of all required reports.

CONTRACTUAL ARRANGEMENTS

Invoices for service will be processed when received. The total amount to be invoiced shall not exceed the amount of the bid unless other arrangements have been negotiated with the Community Health Agency, in advance. The cost of audits for subsequent years or services beyond this RFP will be negotiated each year or as needed. The Community Health Agency reserves the right to terminate the contract(s) at any time.

CONTRACT PAYMENT SCHEDULE

Payment for any contract entered into as a result of this RFP will be made within thirty (30) days of receipt of the firm's billing statement reflecting services which were provided. Progress billings should be submitted monthly. Final payment will be made after all required services have been completed to the satisfaction of the Community Health Agency and all required reports have been submitted.

METHOD OF EVALUATING PROPOSALS

Proposals will be evaluated with a strict emphasis on quality. Attributes which will be analyzed include:

1. Depth of governmental entities audited by CPA firm proposing.

2. Firm's governmental resources available.
3. Involvement in municipal activity and organizations.
4. Training of personnel in governmental (and federal grant) auditing.
5. Experience with district health departments.
6. Experience with Area Agency on Aging organizations.
7. Demonstrated knowledge of new audit standards and assisting governmental units with implementation and maintenance of those standards.
8. Quality of staff included in assignment.
9. Reference responses.
10. Availability of secondary or backup partners, if needed.
11. Internal quality control procedures and external quality control review.

After technical qualities have been evaluated, cost and other considerations will be evaluated. Once all factors have been evaluated, the audit firm who is most qualified and reasonable in cost will be selected.

FORMAT OF THE RFP RESPONSE

Your proposal should be organized as follows:

Title Page

The response should identify the RFP subject and the name of the independent auditor, local address, telephone number, name and title of contact person and date of submission. The period for which the proposal is effective should be disclosed.

Table of Contents

The table of contents of the proposal should include a clear and complete identification of the materials submitted by section and page number.

Letter of Transmittal

The letter of transmittal should contain the following information:

1. A brief understanding of the audit service to be performed.
2. A positive commitment to perform the service timely.
3. The names of persons authorized to represent the respondent, their titles, addresses and telephone numbers. This may be important if different from the individual who signs the transmittal letter.

Mandatory Criteria

The proposers shall provide a positive statement that the following mandatory criteria are satisfied:

1. Affirmation that the proposer is properly licensed for practice as a certified public accountant.
2. Affirmation that the proposer meets the independence requirements of the *Government Accounting Standards*.
3. Affirmation that the proposer does not have a record of substandard work.

Profile of the Independent Auditor

The respondents are requested to provide a profile of general background information. This should include:

1. The organization and size of the respondent, whether it is local, regional, national or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff by position employed at that office.
3. A description of the range of activities performed by the firm such as auditing, accounting, tax service or management services.
4. A description of the firm's expertise regarding new audit standards including training, educational presentations, articles and a summary of how your firm has assisted its clients with the successful implementation of those standards.
5. A statement of the firm's staff capability to audit federal programs, including the number and classifications of personnel skilled in federal program auditing who will work in the audit, if required to.

Summary of Proposer's Qualification

The respondents shall:

1. Identify the audit managers and 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 auditor in-charge up to the individual with final responsibility for the engagement should be included. (The resumes may be included as an appendix)
2. Describe the recent local office's (i.e., the specific office from which the audit will be managed and staffed) auditing experience like the type of audit requested and provide the names and email addresses of client officials responsible for at least three of the audits listed as references.

Proposer's Approach to the Examination

Submit a work plan to accomplish the scope of the audit. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists should be specified.

The audit work plan should completely cover what audit work will be accomplished to allow the auditor to render:

1. A report on the study, evaluation, and report on internal control systems.
2. Reporting on the organization's control system to assure compliance and whether the organization has complied with laws and regulations that may have an effect on each major federal assistance program.

The audit work plan should demonstrate the auditor's understanding of the audit requirement of a single audit as specified in the Uniform Guidance and the audit tests and procedures to be applied in completing the audit plan.

Time Requirements

If not already adequately covered in the letter of transmittal, the response should detail information on when the audit firm plans to deliver the final reports.

Compensation

Propose your not-to-exceed price for each of the services being offered for each year of the engagement. Also, provide your proposed hourly rates by staff classification for additional services that may be requested by the Community Health Agency.

Additional Information

Provide any additional information the proposer feels may be helpful in the selection process.