



October 17, 2018

To all prospective bidders please be advised that the Genesee County Land Banks' original audit request for proposals from qualified firms of Certified Public Accountants to audit its financial statements has been changed to **only include** the fiscal years ending September 30, 2019, September 30, 2020, and September 30, 2021.



October 10, 2018

The Genesee County Land Bank is soliciting proposals from qualified firms of Certified Public Accountants to audit its financial statements for the fiscal years ending September 30, 2018, September 30, 2019, September 30, 2020, September 30, 2021 and September 30, 2022.

Organizational background

The Genesee County Land Bank is organized and operated under the provisions of the Michigan Land Bank Fast Track Act, 2003 P.A. 258, 124.751 (the “Land Bank Act”) and the Intergovernmental Agreement by and between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Genesee, Michigan, dated December 7, 2004. The Corporation is an authority governed by a Board of Directors.

The Land Bank is funded with proceeds from the sale of properties acquired through the tax foreclosure process and determine the best use of the land with the community’s needs in mind, rather than simply selling the land at auction with no control of the ultimate use. As such the Land Bank is considered a component unit under Genesee County’s fiscal reporting structure.

The Land Bank had operating revenue for the year ended September 30, 2017 of \$14,298,392. This amount is expected to remain the same for 2018 and 2019 due to continuation of grant revenues. Grant revenues are expected to drop in future years due to the expiration of the Hardest Hit Funding grants.

A pre-bid conference will be held on October 24, 2018 at 1:00 p.m. in the Land Bank Office to respond to any questions by prospective bidders. Please call Yolanda Collins at 810-257-3088 ext 533 to reserve your spot at this meeting.

Internal operations

The Genesee County Land Bank utilizes software provided by BS&A Software for its general ledger, accounts payable and cash receipting. Payroll and payroll tax filings are outsourced to Paychex payroll services.

Scope of services requested

- Preparation of year-end audited financial statements.
- Supplemental schedule of Federal Awards in Accordance with all OMB Circulars
- Management letter of comments and recommendations.
- Occasional consultation regarding specific directions on specific matters.
- At the completion of the audit, work papers need to be available for the County of Genesee's auditors, if requested.
- Twenty five (25) bound copies of the audit report.

Firm/Auditor qualifications

- 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 engagement must have considerable experience in auditing, specifically governmental audits.
- The auditor 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.
- 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(s) and partner in charge of the engagement should be included with the proposal.
- Assurance must be given that during the course of the term of the three-year contract there will be some continuity in the assignment of audit staff. It is to the mutual interest of the organization and the audit firm that there not be dramatic changes in audit staff every year.
- All assistants must be properly trained and supervised and the work adequately planned.
- The firm shall have substantial experience with GASB 34 reporting.
- A minimum of \$1,000,000 Errors and Omissions Insurance.

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 Land Bank. 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 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. Land Bank officials should be consulted when judgments result in a disproportionate amount of effort being expended on a particular subject.

Communication

The auditor will maintain regular contact and meetings with the Land Bank director and other personnel including but not limited to:

- Engagement planning meeting
- Progress reports
- Exit conference at conclusion of fieldwork
- Changes that would affect the reporting requirements of the Land Bank
- Sharing of innovative methods and procedures that may warrant investigation and/or consideration
- Newsletters or other method of regular communications containing information with specific benefit to governments

Bid proposals should include the following:

- Firm's experience preparing audits for governmental organizations.
- Overview of the firm, including staff size and structure, number of years in business, and national and/or local affiliations.
- Name, qualifications and experience of the individuals who would actually perform the audit.
- A copy of the firm's most recent peer review report.
- Reference list of governmental audits and contact person.
- Annual fees for a three year engagement.
- Estimate of any other costs associated with the audit.
- Time estimate by audit area and hourly rates of staff assigned.

Method of evaluating bids

Factors used to evaluate the proposals shall include the following:

- Extent of experience in governmental auditing.
- The number of partners and associates with experience in governmental auditing.
- Membership and participation in the field of governmental accounting and auditing.
- Training of personnel in governmental auditing.
- Collective experience of audit engagement team.
- A minimum of five (5) client references.
- Assignment of a secondary partner and rotation of partners periodically.
- Internal quality control procedures and external quality control reviews (peer reviews).
- Results of oral interviews with proposing firms if requested.
- Compliance with all specifications noted in the proposal request.
- Cost and value of proposing entity.

Audit timeline

- Audit to commence in January of each year at such time as mutually agreed upon.
- Audit to be complete by January 31st of each year.
- Supplemental schedule of Federal Awards in Accordance with OMB Circulars to be completed by March 15th of each year.

- Audit report and management letter to be delivered to the Land Bank by February 15th of each year.
- Audit to be presented to the Board of Directors in February of each year.

Proposal timeline

Please submit your proposal by October 31, 2018 to:

Audit RFP
Genesee County Land Bank
452 S. Saginaw St. Suite 200
Flint, MI 48502

The Board of Directors is expected to approve the firm selection at its November 2018 meeting. All firms submitting proposals will be notified of our final selection following the meeting.

Rights reserved

The Genesee County Land Bank reserves the right to reject any and all bids, or waive any irregularities therein, or to award to other than the lowest bidder, if in the interest of the Land Bank. Decision to reject any and all bids shall not be a basis for any right, claim or cause of action by bidders against the Genesee County Land Bank or any of its agents or employees.

Equal opportunity policy statement

The Genesee County Land Bank recognizes its moral, social, legal and economic responsibilities in a democratic society to extend all employment and procurement opportunities made available through the Genesee County Land Bank to all eligible applicants regardless of race, creed, color, handicap, religion, national origin, sex, age, political affiliation or beliefs.

All necessary steps will be taken to assure that all recruitment, employment, training, promotions, appointments, funding, utilization of services, or any aspect of program operations will comply with the above principles. This policy covers all staff, contractors, and services, either purchased or provided under any source of funds.

This policy shall commit the Genesee County Land Bank, its Fiscal Officer, staff, contractors and subcontractors, to promote and achieve equal employment and procurement opportunities within their respective organizations and emphasize such principles to all persons or organizations with whom they do business.

Full compliance to all applicable portions of the Civil Rights Act of 1964 as amended; the Equal Pay Act of 1967; the Rehabilitation Act of 1973; the Uniform Guidelines on Employee Selection Procedures of 1978; and all applicable regulations of the primary funding source is required of the Fiscal Officer, all staff, contractors, and subcontractors.

Failure of contractors and/or subcontractors to follow these practices of equal employment and procurement opportunities will be considered as grounds for refusal of continued or renewed

funding. Failure of the Fiscal Officer and/or staff to follow these practices of equal employment and procurement opportunities shall be subject to investigation and appropriate action.

Contact information

Should you have any questions, please feel free to contact Paul McShane, Chief Financial Officer at 810-257-3088 ext 531.