



180 N. Delaney Rd.
Owosso, MI 48867
(989) 729-2687

REQUEST FOR PROPOSAL FINANCIAL AND COMPLIANCE AUDIT SERVICES

The Shiawassee Area Transportation Agency (SATA) invites qualified Certified Public Accountants to submit three (3)-year and five (5)-year proposals for the purpose of conducting audits in accordance with the Single Audit Act and the provisions of OMB Circular A-133, including tests of the accounting records, a determination of major programs and other procedures necessary to express an opinion on the financial statements, the fairness of applicable financial statements, and the compliance of generally accepted governmental auditing standards. The selected firm shall have experience in performing financial audits for Public Transportation.

Sealed proposals should be sent or delivered to the following address and must be received no later than 3:00 p.m. EST on Thursday, April 7, 2022. Submit one (1) original and three (3) additional copies of the proposal. All copies become the property of SATA. SATA will not photocopy your proposal documents. Failure to provide the required number of complete duplicate copies may result in rejection of your proposal. Late proposals will not be considered. Proposals shall be submitted in sealed envelopes plainly marked, "Audit Proposal – April 7, 2022." Proposals submitted by facsimile or email will not be accepted.

All questions or requests for clarification concerning the proposal should be directed to the SATA Executive Director, in writing, by March 17, 2022. Phone and/or in-person inquiries will not be considered.

Mary Rice, Executive Director
Shiawassee Area Transportation Agency
180 N. Delaney Rd.
Owosso, MI 48867
mrice@satabus.org

SATA reserves the right to postpone, accept, or reject any and all proposals in whole or in part, and to select the proposal considered the most advantageous to the Agency.

GENERAL INFORMATION

A Public Act 7 agency, SATA was formed in 2000 by Shiawassee Regional Education Service District (SRES D) and the Cities of Owosso, Corunna, Durand, and Perry. Under Act 7, the agency remains vested with the units that created SATA. Over time, service has expanded to include additional municipalities through commitments of funds and/or voter approval in the participating municipalities of the city of Laingsburg, and the townships of Bennington, Caledonia, New Haven, Owosso, Shiawassee, Venice, and Vernon. It has no taxing authority.

The Board of Directors is comprised of eleven (11) members representing the SRES D, cities of Owosso, Corunna, Durand, Perry, and the township of Caledonia. SATA is a public agency which provides public transportation services. The agency is funded by State & Federal operating assistance, city and township millages/general funds, fare box collections and contract rides, and bus advertising. SATA transported over 84,000 passengers in 2019. SATA operates Monday through Friday from 6:00 a.m. to 6:00 p.m., and from 6:00 a.m. to 10:00 p.m. in the cities of Owosso and Corunna and the townships of Caledonia and Owosso. SATA

has 18 revenue operating cutaway buses which all have lifts for individuals with a handicap or anyone needing assistance. SATA currently employs 3 managers, 4 dispatchers, and 20 drivers.

PURPOSE OF RFP

This Request for Proposal is being issued by SATA for the purpose of obtaining a qualified independent auditing firm to conduct an annual audit, and if required, a Single Audit, for:

- Three (3) years, fiscal year 2022 (October 1, 2021 through September 30, 2022) through fiscal year 2024 (October 1, 2023 through September 30, 2024), AND
- Five (5) years, fiscal year 2022 (October 1, 2021 through September 30, 2022) through fiscal year 2026 (October 1, 2025 through September 30, 2026).

The annual operating budget was \$1,284,507 for 2020-2021. This amount reflects additional income received from the CARES ACT Funding.

SCOPE OF SERVICES TO BE PERFORMED

The successful firm will be responsible for the examination of the financial statements and records of SATA, and issuance of a written opinion thereon no later than March 1 of each year. At a minimum, the examination shall include tests of accounting records and internal accounting controls and compliance with laws, regulations, contracts and policies in effect at that time. The examination will be conducted in accordance with applicable Federal, State, and local auditing and reporting requirements.

Additional responsibilities of the proposer include, but are not limited to the following:

- A. Prepare a report on internal control which addresses significant weaknesses in SATA's internal accounting controls noted during the examination of SATA's books and records. Recommendations and possible solutions for these problems shall also accompany the report.
- B. Prepare a Management Letter addressing the strengths and weaknesses in SATA's internal accounting control and recommend practical changes that would further enhance internal accounting controls.
- C. Prepare a schedule for performing the key phases of the audit, including preliminary work date, start date, completion date, and report date.
- D. Be available for advice concerning accounting transactions that may arise during the term of the contract.
- E. Submit Audit to Michigan Department of Transportation by March 31 of respective year of audit completion.
- F. Attend and report to the SATA Board of Directors one (1) to two (2) times each year.
- G. Review of a report for the United States Department of Transportation National Database (NDT report) annual reporting requirements, if applicable.
- H. Typically, past auditors have provided a list of needed audit items by the second week of November, and then conducted the audit the second week of January.

The audit and the examination shall be conducted in accordance with generally accepted auditing standards applicable to the circumstances. The audit shall be based upon test and samples of a sufficient number of accounting records to satisfy the contractor of the fairness and presentation of SATA's financial position and operating results. The audit shall be conducted to satisfy the requirements of the State Departments of Treasury and Transportation. The firm shall not be required to make a detailed examination of all transactions.

SATA will provide records needed during the audit. Payables and receivables will be booked at year-end. Additionally, depreciation schedules will be updated. SATA's current computer operation software is Microsage/Schools-Open Finance.

A copy of SATA's previous audits are available at treas-secure.state.mi.us/lafdocsearch.

MINIMUM QUALIFICATIONS

To be considered for this project, the proposers must meet the following minimum requirements:

- A. Must be experienced in performing financial and compliance audits within the State of Michigan;
- B. Must present a satisfactory record of performance for other clients;
- C. Must be an independent Auditor licensed for public practice within the State of Michigan.
- D. Must be experienced in performing financial audits for Public Transportation.

PROPOSAL REQUIREMENTS

The proposal shall be detailed as concisely as possible, consisting of the following items:

- A. Cover letter, summarizing the key elements of the proposal;
- B. Brief overview of the company;
- C. Qualifications and experience of the staff assigned to handle SATA's account;
- D. Client List consisting of name, address, contact person, telephone number, and duration of time with client;
- E. Completed Proposal Form;
- F. Completed Iran Economic Sanction Act; and
- G. Completed Affidavit of Bidder – Familial Relationship Form.

RECORD RETENTION

The minimum record retention period shall be from the period beginning with the end of the annual audit and concluding after a three-year period has elapsed. All pertinent records shall be made available to SATA officials upon request.

PROPOSAL AWARD

SATA shall evaluate the proposals on the basis of qualifications, relevant experience, responsiveness, and proposed cost of the engagement. Award of the contract will go to the proposer whose services will be most beneficial to SATA.

TYPE OF CONTRACT/PAYMENT

SATA will enter into a firm fixed price contract with the successful proposer. Payment terms will be net 45 days upon receipt of an invoice at the conclusion of the annual audit.

SCHEDULE OF EVENTS

| | |
|----------------------------------|----------------------------|
| Request for Proposals Available | March 10, 2022 |
| Written Questions Due | March 17, 2022 |
| SATA's Response to Questions | March 24, 2022 |
| Proposals Due | April 7, 2022 |
| Selection of Successful Proposer | No later than May 10, 2022 |

**PROPOSAL FORM
SHIAWASSEE AREA TRANSPORTATION AGENCY
AUDITING SERVICES**

Company Name: _____

Company Address: _____

Contact Person: _____ Telephone Number: (____) _____

Email Address: _____

Authorized Signature: _____

**AUDIT SERVICES
3-YEAR PROPOSAL**

(Annual Fee)

(Single Audit Fee, if applicable)

TOTAL ANNUAL FEE FY2022
(10/1/21 TO 9/30/22)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2023
(10/1/22 TO 9/30/23)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2024
(10/1/23 TO 9/30/24)

\$ _____

\$ _____

TOTAL CONTRACT AMOUNT

\$ _____

\$ _____

**AUDIT SERVICES
5-YEAR PROPOSAL**

(Annual Fee)

(Single Audit Fee, if applicable)

TOTAL ANNUAL FEE FY2022
(10/1/21 TO 9/30/22)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2023
(10/1/22 TO 9/30/23)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2024
(10/1/23 TO 9/30/24)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2025
(10/1/24 TO 9/30/25)

\$ _____

\$ _____

TOTAL ANNUAL FEE FY2026
(10/1/25 TO 9/30/26)

\$ _____

\$ _____

TOTAL CONTRACT AMOUNT

\$ _____

\$ _____

IRAN ECONOMIC SANCTIONS ACT

Effective April 1, 2013 all bids, proposals, and/or qualification statements received in the State of Michigan (MCL 129.313) must comply with the "Iran Economic Sanctions Act". The following certification is to be signed and included at the time of submittal.

CERTIFICATION

Pursuant to the Michigan Iran Economic Sanctions Act, 2012 P.A. 517, by submitting a bid, proposal or response, Respondent certifies, under civil penalty for false certification, that it is fully eligible to do so under law and that it is not an "Iran linked business", as that term is defined in the Act.

Signature

Title

Company

Date

Affidavit of Bidder – Familial Relationships Form

Important: *This disclosure statement must be included with your bid as required by state law (Public Act 232 of 2004).*

As required by Public Act 232 of 2004, all bids shall be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the bidder and any Board member or employee of Shiawassee Area Transportation Agency. The Board shall not accept a bid that does not include this sworn and notarized disclosure statement.

The undersigned, the owner or authorized officer of _____ (the "Bidder"), pursuant to the familial disclosure requirement provided in Shiawassee Area Transportation Agency's Request for Proposal, hereby represent and warrant, except as provided below, that no familial relationships exist between the bidder(s) and any Board member or employee of Shiawassee Area Transportation Agency.

List any Familial Relationships:

BIDDER: _____

By: _____

Its: _____

STATE OF MICHIGAN)

) ss.
COUNTY OF _____)

The instrument was acknowledged before me on the ____ day of _____, 20__, by

_____.

_____, Notary Public
_____, County, Michigan

My Commission Expires: _____

Acting in the County of: _____