

VILLAGE OF CASS CITY, TUSCOLA COUNTY, MICHIGAN
REQUEST FOR PROPOSAL
ANNUAL FINANCIAL AUDIT SERVICES

Section A – General Information

**The Village of Cass City is requesting proposals
for qualified firms of certified public accountants
to audit its financial statements
for the fiscal years ending December 31, 2025, 2026, and 2027.**

The examination of the financial records, accounts and procedures by all local units of government shall be made in accordance with generally accepted auditing standards as adopted by the American Institute of Certified Public Accountants in its Statements on Auditing Standards, and the State of Michigan Department of Treasury's Statements of Position and Uniform Reporting Format. The audit must comply with the Michigan Department of Treasury's *Bulletin for Audits of Local Units of Government*. In addition, it will include any other tests of the accounting records and such other auditing procedures the proposer considers necessary in the circumstances.

Section B – Information about the Request

- 1) One (1) hard copy of the proposal should be provided in a sealed envelope clearly marked "Proposals for Audit Services – Village of Cass City" and mailed to:
Village of Cass City
PO Box 123
6506 Main Street
Cass City, MI 48726
- 2) Questions about the Village or this proposal should be directed to the contact person regarding the RFP:
Nanette Walsh,
Village Clerk/Treasurer
cctreasurer@casscity.org
Subject Line: Audit RFP
989.872.2911
- 3) **RFP's are due to the Village Clerk/Treasurer by 4 PM on October 20, 2025.**

- 4) **The Village Council reserves the right to reject any and all proposals submitted.**
- 5) The Village Council will make the final selection of the auditor based on evaluation of all responses, qualifications, audit approach, thoroughness and pricing.
- 6) It is anticipated that a selection will be made on October 27, 2025, with firms to be notified shortly thereafter. Respondents will be notified of any change made to this schedule.

Section C – Description of the Entity to be Audited

The Village of Cass City is located in Tuscola County. Its population is approximately 2,469 and is governed by a seven-member Council, with a Village Manager and Village Clerk/Treasurer as Administrative Officials by ordinance.

The Village of Cass City will make available upon request its 2023-2024 Financial Statements and management letters, budget records, general ledger reports, payroll data, revenues and receipts. Any records needed during the bidding process will be made available through the RFP contact person outlined in Section B.

The Village has used BS&A Accounting Software for all Fiscal Year's 2021-2024 and continues to use BS&A.

Section D – Mandatory Qualifications of the Firm

- 1) The firm is properly licensed for public practice as a certified public accountant.
- 2) The firm meets the independence requirements of the Governmental Auditing Standards published by the U.S. General Accounting Office.
- 3) The firm furnishes a list of municipal audit clients.

Section E – Assistance Available to the Firm

The Village of Cass City's preceding examinations were performed by Anderson, Tuckey, Bernhardt, Doran, LLC.

The Village will make every effort to make available all personnel when necessary to assist in performance of the examination. The Village Treasurer will provide the auditor with access to its BS&A system and supporting information for the start of the field work. The Village Office Personnel will assist and provide the auditors with access to the Village computer system and retrieve and refile invoices or other documentation selected for examination.

The audit staff will be provided with reasonable work space and access to telephones, photocopy and fax machines.

Section F – Nature of Services Rendered

The services will include an audit of the 2025, 2026, 2027 financial statements as well as compliance with pertinent statutory and internal control regulations. Internal control systems will be documented and examined to identify any weaknesses. Any areas of identified risks by the auditor or Council members will be sufficiently examined to determine if proper policies and procedures have been followed or should be implemented.

The audit will comply with all GASB reporting requirements relevant to the Village of Cass City. The level of audit necessary is that which at the conclusion of the audit, Council members and audit staff are satisfied that the Village's financial statements are free of material misstatements and control policies are in place or recommended that deliver efficient and lawful procedures for the Village.

Section G – Single Audit Option

The Village of Cass City will begin the Wastewater Treatment Plant Project to rehabilitate its 40+ year-old facility. Through the financing of a \$8,294,300 USDA/Loan, a \$7,605,723 USDA/RD Grant, \$488,226 in ARPA funding and local match, the Village of Cass City is expecting that a Single Audit may be required in 2025, 2026, and/or 2027.

Section H – RFP Response

Firms responding to the RFP will be expected to include a technical proposal to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of the Village. Substance of the proposal will have more impact than the form or manner of the presentation. The proposal must contain, *at a minimum*, the following information:

- 1) Detailed Work Plan (also refer to Section F – Nature of Services Rendered)
 - a) Explanation of audit methodology
 - i. Financial Statements: *Indicate the scope and level of the audit*, including how the firm will develop an understanding of the current system in place; testing of balances, transactions, and reconciliations; identify how sample thresholds are set and tested.
 - ii. Internal Control Procedures: *Describe the internal control examination and its extent*. The internal control systems must be examined to determine compliance with compiled laws and regulations.
 - iii. Approach to identification and examination of areas of weakness;

these areas could be identified by auditors or Council members. Include any other tests of the accounting records and such other procedures the firm considers necessary in the circumstances.

2) Profile of Auditor

- a) Independent Auditor: The firm should provide an affirmative statement that it is independent of the Village of Cass City as defined by generally accepted auditing standards.
- b) Audit Firm:
 - i. The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagements is to be performed.
 - ii. Any additional firm information that would be helpful in the selection process.
- c) Resources dedicated to this contract:
 - i. The firm should identify the principal supervisory and management staff who would be assigned to the engagement. These staff members should be identified as to whether each person is a certified public accountant in Michigan, their level of governmental auditing experience and any relevant professional experience or continuing professional education during the past five years

3) Reports and Completion of Audit

- a) A report on the audit of the financial statements of the Village of Cass City for the fiscal year ended on December 31, 2025.
- b) Report on the internal accounting and administrative controls employed by the Village including any necessary recommendations.
- c) Management Letter summarizing audit findings and recommendations.
- d) Any supplemental reports, schedules or other items required by the State of Michigan, Federal Government, etc., including, but not limited to:
 - F-65 Report
- e) Prior to finalization of the audit report, an exit conference will be held jointly with the Village Treasurer and Village Manager to review drafts of the management letter and financial statements.
- f) Upon completion of the audit report, a verbal presentation to the Council outlining the highlights, special notations and recommendations will be made at a scheduled Council meeting.
- g) The successful audit firm will be available throughout the year to consult with Village officials regarding matters which may affect accounting and reporting for governmental units.
- h) The selected firm must deliver draft results by June 1st and the final results of the audit to the village by June 15th, prior to the state due dates of June 30th of each audit year.

4) Pricing Information

- a) **The proposal should include all pricing information relative to performing the audit engagement. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including out of pocket expenses.**
- b) The bid may be broken out into the following areas:
 - i. Inclusive fee that will deliver the “Detailed Work Plan” and “reports and Completion of the Audit” outlined above including the financial statement, internal control evaluation and identified areas of risk examination. Pricing may be broken out and assigned to the four areas of the “Detailed Work Plan” if the firm feels this would be helpful in the selection process.
- c) **An independent bid for the Single Audit**, not included in the bid price for the Financial Audit, for each fiscal year of 2025, 2026 and 2027, which may or may not be conducted, based on the year’s Wastewater Treatment Plant Project expenses.

5) Time Table:

Firm should outline first availability of firm resources that is in line with selection of bid. In addition, availability which impacts pricing should also be noted.

Section I – Firm Warranties

The firm will warrant that it will not delegate or subcontract its responsibilities under agreement without prior written permission of the Village Council.

Additionally, the firm will warrant that all information provided by it in connection with this proposal is true and accurate to the best of its knowledge.

In the event that final audit reports prepared by the successful bidder are not acceptable to the State Treasurer, the successful bidder shall, at its own expense, take the necessary steps to prepare and resubmit final audit reports which are acceptable to the State Treasurer.

Section J – Contractual Arrangements

Invoices for services will be paid within 30 days from receipt. The total amount of invoices is not to exceed the bid amount unless the Village Council has approved other arrangements. The Village Council reserves the right to terminate the contract for audit at any time, with written notice. Service rendered up to that point will be paid and the remaining contract will be nullified.

Section K – RFP Bid Summary

Bidder: _____

Bidder Address: _____

Bidder Contact Person: _____

Bidder Phone: _____

Bidder Email: _____

Proposed Three Year Contract Amounts for:

For the Fiscal Year (Jan-Dec)	2025	2026	2027
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Financial Audit (Preparation, Delivery of Audit, Presentation, F-65 Submission)	_____	_____	_____
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Single Audit	_____	_____	_____
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Audit Bid submitted by: _____

Representative Signature *Date*

Additional Pages may be attached to clarify proposed bid.