

Johnson County Commission

William H. Gabel
Presiding Commissioner

John L. Marr
Commissioner, Eastern District

Charles Kavanaugh
Commissioner, Western District

Diane Thompson
County Clerk

August 28, 2017

BID SPECIFICATIONS: Johnson County Audit

Johnson County, Missouri invites qualified certified public accountants to submit proposals for the performance of an audit of its financial accounts and records covering the period of January 1, 2017 to December 31, 2017, for the purpose of rendering an auditor's opinion regarding the fairness of applicable financial statements and a separate report of the internal control, management weaknesses observed, and county's compliance with applicable legal provisions, in accordance with generally accepted government auditing standards. Also, the County is asking for a separate bid for the single Audit Act Amendments of 1996 and OMB Circular A-133 as this won't apply every year.

We intend to prepare cash basis financial statements, and will not record fixed assets or infrastructure. These financial statements will omit the officeholder agency funds. We require an agreed upon procedure report for the officeholder agency funds.

It should be noted that Johnson County hopes to establish a working agreement of at least three years with the firm selected. For this reason, we are asking each firm to list the fees for audits of 2017, 2018 and 2019. However, the County reserves the right to accept the proposal on a one year basis.

General information, performance specifications, and instruction can be obtained by visiting www.jococourthouse.com or contacting the Johnson County Auditor's Office, Johnson County Courthouse, 300 N. Holden, Warrensburg, MO or calling (660) 747-2633.

Five (5) copies of your sealed proposal will be accepted by the County Clerk's Office at the courthouse until 1:30 p.m. Thursday, September 14, 2017, at which time they will be opened in the County Commissioner's Office. The envelopes containing said bids shall be clearly marked "AUDIT BID".

A. GENERAL INFORMATION

Johnson County is a Missouri county of the fourth class acting as a second class. Principal departments, all of which will be subject to this audit, include those listed in Appendix A. Johnson County has a current full-time work force of approximately one hundred seventy (170) employees. The most recent audit of Johnson County was performed for the period ending December 31, 2016. A copy of the auditor's report on Johnson County is available from the County Clerk's office in the County Courthouse.

B. PERFORMANCE SPECIFICATIONS

Indicate in your proposal if you agree to meet or exceed the following performance specifications. Explain any exceptions you have regarding the following:

1. The audit shall be conducted to satisfy the requirements of generally accepted auditing standards, and Government Auditing Standard, 1994 Revision. If applicable, the audit shall also be conducted to satisfy the requirements of the Single Audit Act Amendment of 1996 and Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Acceptance by the United States Department of the Treasury of the auditor's report is an essential obligation of the firm conducting the audit.
2. The audit shall be a financial and compliance review of all county funds.
3. The firm shall adhere to generally accepted government auditing standards.
4. The audit shall cover the one year period from January 1, 2017 to December 31, 2017.
5. The firm shall submit a final draft of its report to be presented to the County Commission at an exit conference no later than July 30, 2018 or in accordance with OMB Circular A-133 when applicable.

6. The firm shall agree to utilize the county's staff to perform all work of an assisting nature, consistent with generally accepted government auditing standards, and whenever qualified county employees are available.
7. The firm shall express an opinion on the financial statements.
8. The firm shall perform the procedures listed in Appendix B for the officeholder agency funds and report on those procedures under the attestation standards.
9. The firm shall submit a management letter reporting on internal control, management weakness observed, and legal compliance. The report shall assess effects of financial management and propose initial steps towards eliminating weaknesses. Responses to these comments by the affected department heads shall be included in the final management letter.
10. The firm shall provide 15 hard copies and one copy in electronic format of the auditor's report, the financial statement and schedules, the agreed upon procedures report, and the report on legal compliance and internal accounting control weaknesses. The partner in charge of the audit shall be free to attend one public meeting at which the audit report will be discussed.
11. The firm shall make working papers available to the County Auditor, Federal Agencies or the Missouri State Auditor's Office upon request.

C. INSTRUCTION REGARDING PROPOSAL

The County Clerk at the County Courthouse will accept two copies of your proposal until 1:30 p.m. on Thursday, September 14, 2017, at which time they will be opened in the County Commission's Office. The envelope containing said bids should be clearly marked "AUDIT BID". Johnson County reserves the right to reject any and/or all bids and may select the bid they determine to be most advantageous.

1. Qualifications of the Firm

- a. A description of your firm and its relevant prior experience.
- b. Three references, which shall be local government officials. If these cannot be provided, please explain.
- c. A description of the partner, manager, and auditor in charge to be assigned to the engagement, including their resumes.
- d. A copy of the firm's current External Quality Control Review Report.

2. Technical Approach

- a. Express agreement to meet or exceed the performance specifications stated in Section B.
- b. A tentative schedule for performing the key phases of the audit.
- c. A brief description of the audit procedures to be followed, presented in a form which shall best aid the county in evaluating your firm's ability to identify, evaluate and communicate on local government financial problems.

3. Fees

- a. A maximum fee that your firm will charge the county for the audit and agreed upon procedures and an explanation of hours and hourly rates for each level of staff and all other expenses.

D. EVALUATION PROCEDURES

The county shall evaluate the proposals on the basis of the qualifications, relevant experience and responsiveness of the bidders, as well as the estimated cost of the engagement.

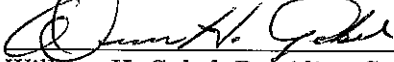
E. BILLING AND PAYMENT

Progress payments, less a 20 percent retainer, may be billed monthly for services rendered in the prior month. Final payment will be due upon receipt of the final reports.

F. FURTHER INFORMATION

Inquiries shall be directed to the County Auditor, Chad Davis, at (660) 747-2633.

THE JOHNSON COUNTY COMMISSION



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