

AGENDA # J.1
Scio Township Board of Trustees
Approval of Contract with New Audit Firm for Scio Township

FOR MEETING DATE OF: January 9, 2024

PREPARED ON: January 4, 2024

PREPARED BY: Jessica Flintoft

SUBMITTED BY: Clerk

ITEM TYPE: Possible Action

BACKGROUND: This item is offered jointly by Clerk Flintoft and Manager Parker.

The Township is required to have its financial statements audited annually by a qualified CPA, and single audits on federal funds as needed. The requirements for the audit are prescribed by the State Treasurer. Both the audit report and the report of auditing procedures are submitted to the State Treasurer, and are published for public review. The State Treasurer may issue Notices of Deficiencies, and request Corrective Action Plans, Deficit Elimination Plans, or other corrective actions based on their review of the audit report and report of auditing procedures.

Plante Moran served as the Township's auditor for decades, through FYE23. Now, Plante Moran provides Interim Finance Director services to the Township and so is ineligible to continue as the Township's auditor. The best practice is to competitively bid out for an independent auditor every few years--in order to continue the independence of the auditor and ensure that the Township is receiving the best service for the lowest cost. Therefore, the Township has gone out to bid for an audit firm.

The Governmental Finance Officer Association (GFOA) provides guidance on how to competitively bid for an independent audit firm, and the Township integrated these into a Request for Proposals (RFP) that the Board approved in fall 2022. After issuance, the Township held an optional bidders conference hosted by Brian Camiller of PM Gap as Interim Finance Director and Clerk Flintoft. Four firms attended, and all responded to the RFP.

The four qualified responses received by the November 17th deadline were from Gabridge and Company, Rehmann Robson, UHY, and Yeo and Yeo. Evaluation criteria included: Expertise and Experience, Audit Approach, and Price.

The Clerk, Finance Manager, Finance Assistant, Treasurer, Manager, and Supervisor participated in the review and scoring. The review team conducted brief interviews with each firm to answer any questions reviewers had from their preliminary review. Then, scores were finalized and reviewed for areas of agreement and those for further discussion. The Clerk and Finance Assistant conducted reference checks.

Two of the four firms emerged as better fits for the Township, with one demonstrating the better price, more depth of experience, and responsiveness to Township needs: Rehmann Robson.

RECOMMENDATION: Clerk and Manager recommend approval.

MODEL MOTION: To authorize the Township Attorney to negotiate contract terms with Rehmann for the services described in the attached proposal for auditing services in response to the approved request for proposals, and to authorize the Supervisor and Clerk to sign, an agreement of 3 years with two 1-year options to extend, payable from funds budgeted in 101-191 Audit Fees.

ATTACHMENTS:

[Rehmann Proposal for Auditing Services.pdf](#)