



GENESEE COUNTY PURCHASING DEPARTMENT

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FLINT, MICHIGAN 48502

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ERIC F. HOPSON
Purchasing Director

CINDY CARNES
Purchasing Manager

August 11, 2009

ADDENDUM #3

**REQUEST FOR PROPOSALS (RFP) #09-018
ANNUAL FINANCIAL AND COMPLIANCE AUDIT OF GENESEE COUNTY,
MICHIGAN**

1. Please include the attached pre-proposal meeting minutes, questions, and answers as part of the above referenced RFP.

Indicate on the Signature Page item #5 and the exterior of the envelope containing your proposal:

“ADDENDUM #3 RECEIVED”

**ALL PROPOSALS MUST BE RECEIVED AT:
GENESEE COUNTY PURCHASING DEPARTMENT
1101 BEACH STREET, ROOM 200
FLINT, MI 48502**

Eric F. Hopson

Eric F. Hopson, Purchasing Director
G:/bid2/2009/09-018add3

(RFP) #09-018
ANNUAL FINANCIAL AND COMPLIANCE AUDIT
OF GENESEE COUNTY, MICHIGAN

Pre-proposal Meeting Minutes, Questions, and Answers
Wednesday, July 29, 2009 at 2:00 p.m.

CALL TO ORDER: Controller, George Martini called the meeting to order at 2:02 p.m.

PRESENT: George Martini, Controller
Jauneysa Dorsey, Assistant Controller
Cindy Carnes, Purchasing Manager
Alan Panter, Abraham & Gaffney, P.C
David Reed, Clifton Ganderson
Becky Slack, Rehmann Robson
Ritesh Shah, Alan C. Young & Associates, P.C.
Tadd Harburn, Plante & Moran, PLLC
Terrie Dunn, Administrative Secretary

Introductions were conducted by George Martini.

INSTRUCTIONS TO PROPOSERS

Cindy Carnes gave a review of the proposal requirements, format of proposal to be submitted, covered terms and conditions, background and general information, pricing information, the selection process and deadlines.

This Audit RFP will close on August 11, 2009 at 3:00 pm sharp. (Due date has been extended please see addendum 2)

Include the original proposal marked as original and containing original signatures. Also, include two copies of the signed original proposal, and include one electronic copy in a WORD format or as a PDF.

Submit the completed Equity and Diversity model plan to the Equity and Diversity Office. They will issue a Certificate to do Business with Genesee County. If the certificate is not received in time, please include on your letter head stating when the model plan was submitted.

The contract and all terms and conditions are an integral part of the RFP. Any exceptions must be clearly stated on company letterhead and included with the proposal.

Bidders Insurance Checklist: Be sure to have the proper signatures

The addendum will be posted to our website (<http://www.co.genesee.mi.us/Purchasing/currentbids.htm>) which will include the minutes, questions and answers.

Questions and answers/clarifications must be received no later than Monday, August 3 by 5.00 p.m. (ET)

Signature page item #5 asks you to acknowledge any addenda we have posted and we need to know you have looked at it and received all the information.

The opening of the proposals will not be released until after an award is made.

General Provisions & Service Requirements will come from George Martini and Jauneysa Dorsey.

Send all questions to Cindy/Purchasing.

A question was raised concerning contract pricing.

George replied: Until we determine that you are a qualified bidder we will then consider pricing. Price is not the first consideration.

QUESTIONS AND ANSWERS:

Q: I have a question concerning the Trust Pool fiscal period –

A: September 30, 2009 is the correct date.

Q: Is there a requirement for auditor rotation in Michigan?

A: Not to our knowledge.

Q: How many adjustments did you have in the previous years?

A: About 34 – PBC adjustments mostly.

Q: Any material or significant differences? Control issues?

A: A copy of the management letter detailing all audit findings is attached.

Discussion ensued regarding calendar issues:

The fiscal year end is September 30. We spend a couple months getting closed out; financial statements, etc. Generally, we have some preliminary field work by the auditors in December. Field work begins in early January until February and finishes in March.

Q: How many major programs?

A: (6)

Q: Who drafts the CAFR?

A: Staff, specifically the Assistant Controller, Jauneysa Dorsey. Our CAFR is done in house. It is not a requirement of the auditors.

Q: Do you have the financial statements done by then?

A: Although we strive to provide a financial statement to the auditors when they arrive in January, often times we are still waiting for component unit information. As a result, the financial statements that are provided are not complete and may have significant holes in many of the presentations.

Q: What type of general ledger software do you use?

A: GEMS (Harris Tech)

Q: The Retirement System for 12/31 is that forward or back?

A: The CAFR for the period ending 9/30/09 will include the Retirement System financial statements for the period ending 12/31/08. That financial statement is currently being completed.

Q: Do you know the total number of hours to complete the audit?

A: 1800 hours, everything included – per Tadd H., Plante & Moran

Q: Do you disclose fees?

A: Fees are basically public knowledge. I do not have total numbers with me now. We'll provide that information. The prior contract with Plante and Moran was for the following amounts:

FY 2006	\$110,000
FY 2007	\$114,950
FY 2008	\$120,100

Q: Were there findings or deficiencies identified in the audit?

A: Attached is a copy of the management letter which addresses those findings and deficiencies.

Q: What kind of meeting schedule between the auditors and management for review of the financial statements and what are the requirements for presentation to the various committees, boards, etc.

A: No policy on meetings for review of the draft financial statement with members of the Controller's staff – we are always available any time during the audit process. Upon completion of the document, an audit sub-committee meeting is scheduled with the Board of Commissioners. The auditor comes in makes a presentation with the management letter a large part of that presentation. The remainder of the presentation is at the discretion of the auditors.

Four people serve on the sub committee and then it is referred to the full Finance Committee – 9 commissioners – the same presentation. It is then taken to the Board of Commissioners meeting for review – not much discussion at that time. In total, the auditors will be responsible for attending three meetings unless there are special circumstances where the Board may request additional information.

Q: Have there been any addendums to this RFP?

A: YES, Addendum #1 is a request for the auditor to provide a proposal to review compliance with a contract between Genesee County and the Genesee Health Plan regarding utilization of the funds generated through the 1 mill countywide property tax

levy for uninsured health services. A copy of that addendum and contract is available on the County's website.

The 1 mill levy generates approximately \$11 million. A portion of these funds, (approximately \$350,000) is retained by the Genesee County Health Department for services that are provided to the Genesee Health Plan. Of the remainder approximately \$5.0 million is paid to the Genesee Health Plan under a contract between the Genesee County Health Department and the Genesee Health Plan to provide medical services to uninsured individuals. A copy of that contract is included with Addendum 1.

Q: Would that be a review?

Comment: It sounds like an agreed upon procedure looking at that contract. The auditor would be expected to issue an opinion letter that the Genesee Health Plan was in compliance with the terms and conditions of the contract between the Genesee County Health Department and the Genesee Health Plan.

Q: Will the deadline get extended?

A: It is possible that we will. We prefer not to do that.