

Cass County Transportation Authority

400 East State Street
Cassopolis, MI 49031
269-445-2455

June 3, 2015

Dear Potential Bidder:

The Cass County Transportation Authority (CCTA) is accepting bids for the performance of an annual audit. The contract will commence on October 1, 2015 and continue for a period of five (5) years, through completion and State approval of the FY 2019 audit. Information required with your bid is outlined in the attached project outline.

A copy of the most recent audit for the CCTA (FY 2014) is available at https://treas-secure.state.mi.us/LAFDocSearch/tl41R01.aspx?&lu_id=726&doc_yr=2014&doc_code=AUD. The audit must comply with the State of Michigan and Michigan Department of Transportation requirements. An Audit Guide for Transportation Authorities, an Audit Guide Checklist, prior year revenue and expense manuals and audit instructions are available at http://www.michigan.gov/mdot/0,4616,7-151-9625_21607-34498--,00.html. The first audit must be completed and filed with the State of Michigan and MDOT by March 31, 2016. Disadvantage Business Enterprises are encouraged to bid on this project.

Bids are due by 4:00 p.m. local time, Friday, June 26, 2015 at the following location:

Cass County Transportation Authority
Attn: Dennis Schuh, Transportation Coordinator
400 East State Street
Cassopolis, MI 49031

Bids must be sealed and clearly marked on the outside, "Bid for Cass County Transportation Authority Audit".

All questions or requests for additional information should be directed to:

Dennis Schuh, Transportation Coordinator
Cass County Transportation Authority
400 East State Street
Cassopolis, MI 49031

Phone: 269-445-2455
Mobile: 269-325-6261
Fax: 269-445-2647
e-mail: schuhtrans@yahoo.com

Dennis Schuh, Transportation Coordinator

**CASS COUNTY TRANSPORTATION AUTHORITY
INVITATION FOR BIDS**

Section 1 – Audit Services/CCTA

1.00 Issuing Office

This invitation for bids (“IFB”) is issued by the Cass County Transportation Authority, (“CCTA”), 400 East State Street, Cassopolis, MI 49031.

1.01 Project Oversight

The oversight of this CCTA Project is the responsibility of the CCTA Transportation Coordinator. The chosen Firm will be required to work with the Transportation Coordinator throughout the duration of the contract.

1.02 Incurring Costs

CCTA is not liable for any cost incurred by any party prior to signing of a contract with that party and then only upon written authorization from CCTA to proceed.

1.03 Contract Termination

A contract resulting from this IFB may be terminated at will by either party by issuing ninety (90) days notice in writing to the other party by certified mail. In cases where termination is caused by funding reductions or elimination of the transit system, the ninety (90) days notice is waived and the notice of termination will reflect the effective date of reduction/elimination of funding by the Michigan Department of Transportation (MDOT). Such termination shall not relieve either party of any obligations incurred prior to the effective date of termination.

1.04 Type of Contract

This is a fixed price contract. CCTA also reserves the right to expand and decrease service/use of the contract as conditions require.

1.05 Questions/Changes to the IFB

It is the desire of CCTA to provide the same information to all interested parties to insure fairness and impartiality in the procurement process. **Submit written questions (via U.S. postal service, e-mail, or fax) to the CCTA Transportation Coordinator at the address/number, indicated in Section 1 above, no later than 4 p.m. local time, June 12.** Any changes made to this IFB, in response to questions or concerns through correspondence received by CCTA, will be put in writing by June 19, 2015 to all firms indicating an interest in this project.

1.06 Bids

To be considered for award, each respondent must submit a complete response to the IFB, using the designated format and accepting the requirements of Section 2 and 3 below. Bids are to be submitted only to CCTA. No other distribution of the bid is to be made. An official authorized to bind the respondent to the bid must sign the proposal in ink. Submission of a bid shall bind the respondent to all provisions of the bid, including costs, for a period extending not less than ninety (90) days following the IFB due date. Two (2) copies of the bid, including a price sheet, must be submitted to CCTA by 4:00 p.m. local time, June 26, 2015. The respondent is solely responsible for the timely delivery of the bid to CCTA. All bids submitted in response to this IFB will become property of CCTA and will not be returned to the respondent.

1.07 Economy of Presentation

Each bid should be prepared simply and economically, providing a straightforward, concise description of the respondent's ability to meet the requirements and objectives of this IFB. Emphasis should be on completeness and clarity of content.

1.08 Primary Contractor Responsibilities

The selected firm will be required to assume responsibility for all services offered in its bid.

1.09 Other Duties Assigned by CCTA

Because of the nature of this project, CCTA is unable to determine all possible work components and tasks to be completed. The firm may be asked to provide additional services that have not been outlined in this IFB. When additional duties beyond those outlined in this IFB and in the Firm's bid are identified, CCTA and the Firm will discuss the Firm's ability to complete this work. If CCTA determines the Firm should conduct the additional work, the Firm will provide a request for a Work Order describing the work to be done and all associated costs. A written Work Order will then be issued by CCTA.

1.10 Determination of Successful Bidder

In determining the successful bidder, the contract award for this Project will be made to the lowest, responsive and responsible bidder using the Total Fee for Five Annual Audits \$ _____ figure in Attachment 1.

1.11 Bidder Qualifications

In order to be eligible for award, bidders must be responsive and responsible.

Responsive offers are those complying in all material aspects of the solicitation, both as to the method and timeliness of submission and as to the substance of the resulting Contract. Bids or proposals which do not comply with all the terms and conditions of the solicitation may be rejected as non-responsive.

Responsible bidders are those prospective vendors who, at a minimum, must:

- Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing business commitments.
- Are a licensed firm capable of delivering the services being offered.
- Are otherwise eligible to receive an award under applicable laws and regulations.

All prospective bidders may be requested to submit written evidence verifying that they meet the minimum criteria necessary to be determined a responsible vendor. Refusal to provide requested information may cause rejection of the bid or proposal.

1.12 Acceptance of Bid

Each bid shall be submitted with the understanding that the acceptance in writing by CCTA of the offer to furnish any or all goods or services described therein shall bind the bidder on his part to furnish and deliver at the bid price, in accordance with the condition of said accepted bid and specifications.

1.13 Withholding Award

This solicitation for bids does not commit CCTA to award a contract, pay any costs incurred in preparation of a bid in response to this solicitation, or to procure or contract for goods or services. Bidder shall be responsible for all costs incurred as part of their participation in the pre-award process.

1.14 Bid Acceptance, Rejection, and Postponement

CCTA reserves the right to postpone, accept, or reject any and all bids in whole or in part for sound documentable business reasons, on such basis as the CCTA deems to be in its best interest to do so.

1.15 Single Bid Response

If only one (1) bid is received in response to the Invitation for Bids, a detailed cost analysis may be requested of the single bidder. A cost analysis and evaluation and/or audit may be performed of the cost analysis in order to determine if the price is fair and reasonable.

1.16 Discrepancies in IFB

If a Bidder becomes aware of any discrepancy, ambiguity, or error of omission in the IFB, it shall be reported immediately, in writing, to the Transportation Coordinator who will determine the necessity for further notification.

1.17 Oral Presentation

Respondents may be required to make oral presentations of their proposals. These presentations provide an opportunity for the respondent to clarify the proposals through mutual discussion. This is not a time to simply review the contents of the proposal but to present to CCTA your approach to this project and the uniqueness of the respondent's team in meeting the requirements of this RFP. If held, the presentation will be scheduled at a minimum one week in advance of the presentation. A maximum of 30 minutes will be allowed for each presentation, followed by 30 minutes for questions and answers (timing and duration to be determined by CCTA).

1.18 Independent Price Determination

By submission of a proposal, the respondent certifies that in connection with this proposal:

- The price in the proposal has been determined independently and without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such prices with any other respondent or with any competitor.
- Unless otherwise required by law, the price that has been quoted in the proposal has not been knowingly disclosed by the respondent prior to award directly or indirectly to any other respondent or to any competitor.
- No attempt has been made or will be made by the respondent to induce any other persons or firm to submit or not submit a proposal for the purpose of restricting competition.

Each person signing the proposal certifies that she/he:

- Is the person in the respondent's organization responsible within that organization for the decision as to the price being offered in the proposal and has not participated (and will not participate) in any action contrary to the requirements indicated in the bullets above.
- Is not the person within the respondent's organization responsible for the decisions as to the pricing being offered in the proposal but has been authorized, in writing, to act as an agent for the persons responsible for such a decision and certifying that such persons have not participated (and will not participate) in any action contrary to the requirements indicated in the bullets above.

1.19 Pricing and Payment

The bid is to include the total cost including staff hours, report reproduction, typing, postage, travel, copies, telephone, etc.

Payment for any contract entered into as a result of this IFB will be made not more than thirty (30) days following submittal of a completed audit to the State of Michigan. Payment to be made upon proof of satisfactory work completion.

Section 2—Statement of Work

2.00 Background

The CCTA operates a transit system consisting of eleven small buses operated in the demand-response mode. The service is countywide except for the City of Dowagiac which has its own dial-a-ride system. The CCTA is currently under contract through FY 2017 with the City of Dowagiac to operate and maintain their three buses. The CCTA operates under a seven member Board that meets on a monthly basis to set program policy and direction, approve expenditures and monitor activities. The Board currently contracts with Transportation Management, Inc. (TMI) to provide day-to-day operational services. The Board also contracts for a Transportation Coordinator/Treasurer that provides financial administration and other administrative oversight services. The Board's secretary takes minutes for the Board's meetings.

The Transportation Coordinator maintains all financial reports using Quickbooks software. Financial records are generally available for auditing by mid-November. In past years the auditing firm would pick up all records for the fiscal year being audited and do the audit at their office. Audit adjusting entries have averaged about ten per year. Fixed asset records have been maintained by the firm doing the audit. Federal financial assistance for FY 2015 is not expected to exceed \$500,000. The cost for the FY 2014 audit was \$4,370.

2.01 Objectives of the Project

This IFB is being issued by CCTA for the purpose of obtaining a qualified independent auditing firm.

The specific objectives for this Project are as follows:

- Complete Fiscal Year 2015 – FY 2019 audits in compliance with all State and Federal Government accounting and reporting requirements in a timely and accurate manner. Provide guidance on current and new accounting principles.

2.02 Scope of Work

The successful firm will be responsible for the examination of the financial statement and records of the Cass County Transportation Authority, and issuance of a written opinion thereon no later than March 31st of each year or a due date established by the Michigan Department of Transportation. At a minimum, the examination shall include tests of accounting records, internal accounting controls, and compliance with laws, regulations, contracts, and policies in effect at that time. The examination will be made in compliance with Federal, State, and local auditing and reporting requirements, including but not limited to United States Office of Management and Budget and Budget Circular A-128, Audits of State and Local governments, the U.S. General Accounting Office Standards for Audit of State and Local Governments, and the Michigan Department of Treasury Audit Guide for Transportation Authorities and Agencies in Michigan.

The audit and the examination shall be concluded 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 and transactions to satisfy the firm of the fairness and

presentation of CCTA's financial position and operating results. The firm shall not be required to make a detailed examination of all transactions.

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

- Prepare and issue opinions on and any special reports required by Federal or State requirements or in the documents set forth above no later than March 31st of each year.
- Prepare a report on internal controls which addresses significant weaknesses in CCTA internal accounting controls noted during the examination of CCTA's accounting records and transactions. Recommendations and possible solutions for these problems shall also accompany the report.
- Prepare a Management Letter addressing not only the significant weaknesses in CCTA's internal controls as described above, but also those areas in which internal accounting controls may be practically improved. Recommendations and solutions to the problem areas shall be addressed as well.

2.03 CCTA Responsibility

The bidder shall describe in their bid the level of involvement that will be expected from CCTA personnel.

2.04 General Requirements

Timelines: The services of successful respondent are to commence upon execution of the contract and shall be undertaken and completed so as to assure submittal of the FY 2015 audit by March 31, 2016. Future audits must be completed and submitted as prescribed by MDOT.

Meetings: The successful respondent (Firm) shall meet with the CCTA Transportation Coordinator during the project as requested. These sessions may be conducted over the telephone, in person, or via e-mail, as determined by the CCTA Transportation Coordinator. The Contractor shall make immediate phone calls to the CCTA Transportation Coordinator if any significant problems are encountered during the project.

2.05 Deliverables

The selected Firm shall deliver 12 copies of the Audit Report and Management Letter prior to the final audit presentation to the Board of Directors in Cassopolis, MI. The audit shall be submitted to the Michigan Department of Treasury and Bureau of Public Transportation as outlined under Distribution of Audit Report in the Michigan Department of Treasury Audit Guide for Transportation Authorities and Agencies in Michigan.

2.06 Bidder Requirements

To be given consideration for this project, the bidder and those working on the CCTA audit must provide written statements with their bid that they meet the following minimum requirements.

- The bidder must have experience in performing financial and compliance audits for public agencies, particularly transit agencies and recipients of grants-in-aid. A list of clients showing the required experience must be included in the proposal.
- The bidder must have a satisfactory record of performance for other clients, with no record of substandard work with the State Department of Licensing and Regulation.
- The proposer must be an Independent Auditor licensed for public practice within the State of Michigan. A copy of the proposer's current license is to be included with the bid.

- The bidder must meet the Independent Standards of the General Accounting Office, Standards for Audit of Governmental Organizations, Programs Activities and Functions.
- The proposer must provide proof of malpractice insurance including limits.
- It is important that the selected firm have experience in the area of Governmental Accounting , particularly with transit systems in the State of Michigan. A list of references for transit audits including contact names, addresses, telephone numbers, fax numbers and e-mail address is to be included as part of the bid for this requirement.
- Proposers shall list the name and qualifications of their Project Manager. If at any time during the term of the contract the Project Manager is removed from the CCTA project, his or her replacement shall be qualified and experienced as required and must be pre-approved by CCTA in writing.
- Statement of compliance and agreement to continue compliance with Federal and State laws and regulations, including regulations of the Federal Transit Administration (“FTA”) and the Michigan Department of Transportation (“MDOT”).
- Detailed timeline for each task including key meetings and critical tasks.
- Total fixed price of the bid by individual year.
- The name and telephone number of person(s) in the Respondent’s organization authorized to negotiate/expedite the proposed contract with CCTA.

2.07 Cost of Project

Respondents shall list their rates for services on the Bid Form (ATTACHMENT 1).

Section 3—Compliance Requirements

3.00 FTA and MDOT Required Clauses

The Contractor will comply with all relevant procurement requirements of the Michigan Department of Transportation (“MDOT”).

The website address of the Michigan Department of Transportation is www.michigan.gov.mdot.

All contractual provisions required by MDOT or mandated by FTA as set forth in FTA Circular 4220.1F, are hereby incorporated by reference. The Contractor shall not perform any act, fail to perform any act or refuse to comply with any CCTA requests which would cause CCTA or the Contractor to be in violation of FTA or MDOT terms and conditions.

3.01 Disadvantaged Business Enterprises

Disadvantaged Business Enterprises (“DBE”) are encouraged to bid on this project. Any applicable DBE firm’s certification must be included in the proposal. Information on becoming certified as a Disadvantaged Business Enterprise is available from Michigan Department of Transportation (“MDOT”) at the following website address:

<http://mdot270.state.mi.us:8080/UCP/HomePageServlet>.

3.02 News Releases

News releases pertaining to this IFB or the services, study, data or project to which it relates will not be made without prior written CCTA approval, and then only in accordance with the instructions from CCTA's Transportation Coordinator.

APPENDIX A

PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the Contractor agrees as follows:

1. In accordance with Act No. 453, Public Acts of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220, of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all sub-contracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.
7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said

declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.

9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every sub-contract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission; all sub-contracts and purchase orders will also state that said provisions will be binding upon each sub-contractor or supplier..

Revised June 2011

ATTACHMENT 1

*****BID FORM*****

CASS COUNTY TRANSPORTATION AUTHORITY AUDITS

Company Name _____

Address _____

Telephone _____

e-mail _____

Contact Person _____

Authorized Signature _____

**Audit Services
(Annual Fee)**

Total Annual Fee FY 2015 _____

Total Annual Fee FY 2016 _____

Total Annual Fee FY 2017 _____

Total Annual Fee FY 2018 _____

Total Annual Fee FY 2019 _____

Total Fee for Five Annual Audits \$ _____