



Financial Audit Services - Call for Proposals

Proposals are due by Friday, July 26, by 4:00 p.m. EST to BidnetDirect.com

Purpose:

The RTA invites Independent Certified Public Accountants licensed to practice in the State of Michigan to submit quotes for the performance of an annual standard financial audit and federal single audit to express an opinion on the fairness with which RTA presents its financial position in conformity with generally accepted government accounting standards and an examination to determine whether operations were properly conducted in accordance with legal and regulatory requirements. The audit of RTA's financial records must be performed in accordance with 38 CFR Part 41 - Audits of States and Local Governments 2CFR 200, Subpart F. The RTA's FY2023 Audit can be found on the [Budgets and Audits](#) page on the RTA website.

Agency Procurement Manager:

Melanie Piana
 Program Director
 (248) 809-0351
 mpiana@rtamichigan.org

Submission Details

Proposals must be submitted in electronic format; MS Word, Excel and PDF are acceptable. RTA reserves the right to refuse any and all bids without providing a reason, and to reissue the Call for Proposal.

This Call for Proposal is available on the RTA's procurement website at www.bidnetdirect.com/mitn. Potential vendors will be required to register with the webpage to access the Call for Proposal. Registration is free of charge

Wednesday, July 10, 2024:	Proposal Issued
Monday, July 15, 2024:	Please submit any questions to BidnetDirect by 5:00 p.m. EST (RTA will only respond to questions through Bidnet)
Wednesday, July 17, 2024	Responses to questions submitted will be shared with contractors through BidnetDirect
Friday, July 26, 2024	Proposals Due through BidnetDirect by 4:00 p.m. EST.

About Us:

The RTA believes the people and communities of Southeast Michigan deserve a more equitable, reliable, and effective public transit system. An accessible transit system is critical public infrastructure that is necessary to foster a livable, climate-resilient, and thriving region. A champion for everyone, the RTA envisions Southeast Michigan as a welcoming place where all people can enjoy access to opportunity, recreation, and community through connected transit.

Vision

RTA envisions a region with sufficient and stable funding to support improved public transit options that will advance equity by increasing accessibility; satisfy the integrated mobility needs of Southeast Michigan communities; and promote livable, healthy, and sustainable growth.

The RTA develops regional transit plans, coordinates a complex network of local service providers, accelerates pilot projects and programs, and distributes public transportation funds regionally. The RTA has a 10-member Board of Directors appointed by the Governor of Michigan, the Mayor of Detroit, the Washtenaw County Board of Commissioners Chair, and Executives of Macomb, Oakland, and Wayne Counties. Serving a unique role in the region, the RTA

Mission

Our mission is to manage and secure transportation resources that significantly enhance mobility options, to improve quality of life for the residents and to increase economic viability for the region.

pools resources and generates ideas to solve decades-long public transit challenges in Southeast Michigan and tackles difficult shared problems that riders have identified as deficiencies in the regional network. By plugging these gaps, the RTA advances transit as a more equitable, reliable, and inviting mode of transportation for all people in the region and paves the way for future shared mobility developments.

The RTA Board approved a resolution of intent to transition QLINE operations and assets under the RTA's management. The move will take place later in 2024, once the transition framework is completed, which is expected to be in Summer 2024.

Audit Project Overview:

RTA is seeking a quote for the following services for **three years beginning with the fiscal year ending September 30, 2024:**

- Financial audit and opinion with presentation to the Board of Directors
- Applicable letters to the Board of Directors

Timing:

- The annual audit fieldwork is expected to take place in mid-January following year end, with the issuance of the deliverables meeting the state audit clearinghouse's March 31st deadline. The interim fieldwork timing is flexible.

References:

- Provide references from other government clients who require a single audit.

RTA Support: RTA staff, including an outsourced accounting team, will provide:

- Requested documentation or analysis
- Electronic trial balance and journal entries
- Financial statement draft, including footnote disclosures
- Workpapers on any account requested on the balance sheet
- Documentation of policies, procedures, and internal controls
- Other reconciliations as needed, etc.

RTA began outsourcing accounting and finance work in 2022. The current contract is with Rehmann.

Key audit points of contact include the following:

- Ben Stupka, Executive Director
- Melanie Piana, Program Director/Procurement Manager
- Michelle Hodges, CPA, Outsourced CFO
- Amy Deeter, Outsourced Accounting Manager

RTA Budget & QLine Asset Transfer

It is anticipated that effective October 1, 2024, M-1 Rail, LLC, M-2 Rail, and M-3 Rail will transfer their QLine operations to the RTA. **The RTA's outsourced accounting team will record the transaction in accordance with the Governmental Accounting Standards Board ("GASB"). The QLine operations** after October 1 are included in the scope of RTA as all operations.

RTA's annual operating budget for the fiscal year ending September 30, 2024, is \$3.3 million. The acquisition of QLine is anticipated to expand the FY2025 and FY2026 operating budgets to approximately \$13 million annually.

The RTA is grant-funded primarily through federal (US Department of Transportation) and state (Michigan Department of Transportation) grants. Board meeting packets, including monthly financial statements, are available on the RTA's website at <https://rtamichigan.org/2024-board-committee-meetings/>. The QLINE will include additional state funding from the Convention Facility Development Fund, the Detroit Downtown Development Authority, and additional state and federal funding sources.

Accounting transactions are processed remotely, and the audit fieldwork will be conducted remotely. The organization operates with a 9/30 fiscal year-end.

All accounting functions are performed in-house on a PC network using Quick-Books and Bill.com. Accounting records are kept on an accrual basis. Payroll functions are performed by a payroll service provider.

All information provided during the bidding process is expected to be kept strictly confidential.

Project Budget

Public Audit Consulting firms are to provide a cost estimate table with pricing of proposed line items such as anticipated materials and hours to deliver a financial audit with quotes shall be made for one-, two- and three-year periods:

- Fiscal year ending September 30, 2024
- Fiscal year ending September 30, 2025 (including Qline operations)
- Fiscal year ending September 30, 2026 (including Qline operations)

RTA reserves the right to select an auditor for a one, two or three-year period. Renewal of the audit agreement is subject to a satisfactory performance on the prior year audit.

Contract

Contract will be executed on the RTA's Standardized Contract Form (Attachment A). Submission of a quote by a vendor will be understood as acceptance by that vendor of the contract language.

RTA policies encourage participation by disadvantaged business enterprises (DBE), including women business enterprises (WBE), and minority business enterprises (MBE). Please include certification(s) with quote.

Upon award of the contract, a pre-audit fieldwork meeting will be held with RTA to discuss the annual engagement letter, confirmations, schedule preparation, and any pre-audit work that may be required. Audit fieldwork can begin in late December 2024 or early January 2025, with a draft report completed and available no later than mid to late February 2025.

In addition to preparing the final document, the auditing firm will be expected to present the draft audit to the RTA's Board in person at a public meeting in March 2025. The timing supports the final approved document submission by the state and federal March 31 deadline to upload to the clearinghouse.

Evaluation Criteria

RTA's vendor selection will be based on several factors, including the comparison of each bidder's answers to the following list of questions. For this reason, we request that you follow our numbered outline to respond to the questions. Attach any additional information or comments to the end of your proposal.

Experience: Briefly describe your experience with GAAS, government and single audits.

Team: Provide resumes of members of your engagement team and lead auditor.

Time: Describe how much additional time would be spent on the first audit. Describe how much time would be spent on the succeeding audits.

Cost: Briefly describe how the contract will be priced. Please quote on a fixed price basis. List any additional cost items.

The following are the complete criteria, listed by their degree of importance, by which proposals from responsible Offerors will be evaluated and ranked. The RTA reserves the right to award other than the lowest price proposal and the proposal representing the best value to the RTA. Price will be evaluated using the formula: lowest proposal price divided by the proposal price being evaluated multiplied by the available points.

Item	Weight
Experience with GAAS, government, and single audits	30%
Team Engagement and Expertise	30%
Time to Conduct Audits	20%
Cost Proposal (fixed price)	20%

The contents of all proposals become the property of RTA and are subject to the Freedom of Information Act.