



Purchasing Division
18 North County Street, 9th Floor
Waukegan, Illinois 60085-4350
Phone 847-377-2992
Fax 847-984-5889
purchasing@lakecountyil.gov

Award Information – 9/27/2017

Contract Information

Purchase Description: **Professional Audit Services**

Contract Start Date: **October 11, 2017**

Initial Term: **2-year term**

Term Dates: **October 11, 2017 – October 10, 2019**

Renewals: **3 one-year renewals are available**

Vendor Information

Company Name: **RSM US, LLP**

Address: **One South Wacker Drive, Suite 800**
Street Address *Suite/Unit #*

Chicago **IL** **60606**
City *State* *ZIP Code*

Contact Name: **John George**

Funding Account Description: **101-1000010-71110-000-000-00000**

Budget Information: **(ex. Was included in the FY17 Budget and service is within budget expectations.)** **Included in FY17 Budget**

Department: **Finance and Administration**

Department Contact: **Ryan Horne** Award Amount: **\$224,200**

Bid / RFP Information

Registered Vendors: **39** Responses Received: **6**

Intent:

This Request for Proposal (RFP) is for the purpose of establishing a contract with a qualified professional firm to provide Lake County Professional Audit Services of its financial statements. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for governmental financial audits.



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Scope of Work:

Lake County is soliciting the services of qualified firms of certified public accountants to audit its basic financial statements, individual and combining fund financial statements, and schedule of expenditures of federal awards. These audits are to be performed in accordance with audit standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The auditor will be expected to express an opinion on the fair presentation of these statements and schedules. It is anticipated that the County will require a Single Audit for each of the years covered by this request.

The Lake County Forest Preserve District ("Forest Preserve") is considered a component unit of the County. It is included as a discretely presented component unit in the statement of net assets and the statement of activities. The Forest Preserve is audited independently. It is expected that the auditor will be able to rely on the audit opinion expressed by those auditors.

This request for proposals includes the Emergency Telephone System Board ("ETSB") and the Solid Waste Agency of Lake County ("SWALCO"). The financial records of these agencies are maintained in the County's financial system. Separate audits and opinion letters are required for each agency.

The auditors will also provide special statements required by the Circuit Court Clerk, the Public Works Department, and the Health Department as outlined below. The Public Works audit requires a separate opinion letter. Public Works also requires three (3) regional financial reports verifying agreed-upon procedures in accordance with attestation standards.

Auditing Standards

To meet the requirements of this request for proposals, the audit shall be performed in accordance with audit standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The Circuit Clerk's audit shall be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States; the annual audit requirements included in the Clerks of Courts Act; and the Circuit Clerk Audit Guidelines as noted by the Act.

Reports to be Issued

The auditor will be required to print and bind the following copies of hard copy reports, in addition to providing a pdf. version of each:

Lake County

Consolidated Annual Financial Report	35
Report on Internal Control	35
Single Audit – Schedule of Expenditures of Financial Reports	35
Lake County Health Department	
- FQHC Report	10
- Department of Human Services Grant Report	5
- Department of Human Services Consolidated Financial Report (CFR)	5
- Department of Children & Family Services CFR	5



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- Illinois Department of Healthcare and Family Services CFR	5
Office of Circuit Court Clerk – Supplementary Financial and Compliance Report	5
Lake County Public Works – Waterworks and Sewerage Systems Fund	50
3 Regional Audits (each)	50
Solid Waste Agency of Lake County (SWALCO)	15
Emergency Telephone System Board (ETSB)	20

County staff prepares the required basic financial statements as well as the notes to the financial statements and the statistical section. It also files the required Annual Financial Report with the Illinois Comptroller's Office.

The County will apply for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will provide assistance to continue to meet the requirements of this program.

The auditor will also initiate the submission to the United States Single Audit Clearinghouse, utilizing their joint submission functionality for final approval and submission with the County's designee.

Management Letter

If the auditor finds any weaknesses in internal control, the auditor shall summarize such findings and recommendations in the form of a separate management letter to Lake County. The auditor shall be available to meet with County officials and/or staff to answer any questions or concerns regarding the management letter. A partner of the audit firm must also attend a Community Health Center Governing Council meeting after all the audit reports are completed to report any findings or management points found during the audit that impact the FQHC.

A partner or manager on the engagement shall be available not only during the audit preparation period, but also to answer questions or provide guidance on accounting issues or events that may arise throughout the contract period. This should include information regarding new GASB pronouncements, accounting changes, and any changes in audit emphasis that impact Lake County, prior to the end of the fiscal year.

Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the County of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the County.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Date Audit May Commence

A planning meeting will be completed the week of October 16, 2017. Preliminary work can be performed during November and December. The County will have all records ready for audit and all management personnel available near the end of February of each fiscal year.

Assistance to be provided to the Auditor and report preparation

Finance staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County's staff. The County will provide the auditor with reasonable workspace and accommodations. Proposers should indicate the specific requirements for the on-site work in their proposals (e.g., internet access, number of

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people who will be onsite at one time, etc.). Report preparation, editing and printing shall be the responsibility of the auditor.

Optional additional services

If the proposing firm has sufficient personnel and expertise, the County may also seek an Indirect Cost Allocation Plan prepared in accordance with the Office of Management and Budget Circular A-87. The County prepares this report on a biannual basis. This is an optional service, as determined by the County. Pricing should be provided separately. Providing or not providing this service has no bearing on the overall selection for audit services.

Evaluation of Proposals:

Lake County will evaluate the Proposers response and the extent to which it meets the requirements delineated in this RFP. All proposals submitted in response to this RFP will be scored based on the evaluation factors identified:

Evaluation Factors:

- Understanding and ability to meet and/or exceed the scope of services
- Adequate resources (depth of a firm) – possess the required technical expertise to provide Professional Audit Services for Lake County
- Experience working with local government
- Reference check
- Cost Proposal

Short List Interview

The evaluation factors were used to assist the evaluation committee in determining a short list. Three proposers were notified by the County that were selected for the short list and invited for an interview with the evaluation committee.

Department Recommendation:

The evaluation committee and the Department of Finance and Administrative Services recommends an award to RSM US, LLP, Chicago based on their ability to meet the specific elements of the scope of work within the RFP.

Additionally, RSM US, LLP provides a firm with in depth experience in and qualification required for professional auditing services for Lake County. Through the evaluation process it was determined that this firm is best suited to support the County's diverse requirements that expand to several highly specialized County departments such as the Lake County Health Department.