



Johnson County Commission

Densil Allen

Presiding Commissioner

John L. Marr

Commissioner, Eastern District

Charles Kavanaugh

Commissioner, Western District

Diane Thompson

County Clerk

September 28, 2021

BID SPECIFICATIONS: Johnson County Audit

Johnson County, Missouri is requesting proposals from qualified firms of certified public accountants to audit its financial accounts and records covering a period of January 1, 2021 to December 31, 2021, for the purpose of rendering an auditor's opinion regarding the fairness of applicable financial statements and a separate report of internal control, management weaknesses observed, and auditing standards. This audit is to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office (GAO) *Government Auditing Standards* (2003), the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

The County intends to prepare cash basis financial statements and will not record fixed assets or infrastructure. These financial statements will omit the officeholder agency funds. An agreed upon procedure report for the officeholder agency funds will be required.

Johnson County desires to establish a working agreement of at least three (3) years with the firm selected. For this reason, we are asking each firm to list the fees for audits of 2021, 2022, and 2023. However, the County reserves the right to accept the proposal on a one-year basis.

General information, performance specifications, and instruction can be obtained by visiting www.jococourthouse.com or contacting the Johnson County Clerk's Office, Johnson County Courthouse, 300 N. Holden, Suite 201, Warrensburg, MO.

A. GENERAL INFORMATION

Johnson County is a Missouri county of the fourth class acting as a second class. Principal departments, all of which will be subject to this audit, include those listed in Appendix A. Johnson County has a current full-time work force of approximately one hundred eighty-seven (187) employees. The most recent audit of Johnson County was performed for the period ending December 31, 2020. A copy of the auditor's report on Johnson County is available from the County Clerk's Office.

B. PERFORMANCE SPECIFICATIONS

Indicate in your proposal if you agree to meet or exceed the following performance specifications. Explain any exceptions you have regarding the following:

1. The audit shall be conducted to satisfy the requirements of generally accepted auditing standards, and most recent Government Auditing Standards. If applicable, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).
2. The audit shall be a financial and compliance review of all county funds.
3. The firm shall adhere to generally accepted government auditing standards.
4. The audit shall cover the one-year period from January 1, 2021 to December 31, 2021.
5. The firm shall submit a final draft of its report to be presented to the County Commission at an exit conference no later than July 30, 2022, or in accordance with federal Single Audit when applicable.
6. The firm shall agree to utilize the county's staff to perform all work of an assisting nature, consistent with generally accepted government auditing standards, and whenever qualified county employees are available.

7. The firm shall express an opinion on the financial statements.
8. The firm shall perform the procedures listed in Appendix B for the officeholder agency funds and report on those procedures under the attestation standards.
9. The firm shall submit a management letter reporting on internal control, management weakness observed, and legal compliance. The report shall assess effects of financial management and propose initial steps towards eliminating weaknesses. Responses to these comments by the affected department heads shall be included in the final management letter.
10. The firm shall provide 15 hard copies and one copy in electronic format of the auditor's report, the financial statement, and schedules, the agreed upon procedures report, and the report on legal compliance and internal accounting control weaknesses. The partner in charge of the audit shall be free to attend one public meeting at which the audit report will be discussed.
11. The firm shall make working papers available to the County Auditor, Federal Agencies, or the Missouri State Auditor's Office upon request.

C. PROPOSAL INSTRUCTIONS

The County Clerk's Office will accept five (5) copies of your proposal in a sealed envelope marked "DO NOT OPEN – AUDIT BID" until 1:30 p.m. on Thursday, October 21, 2021, at which time they will be opened in the County Commission's Office. Proposals should include the following:

1. Firm Qualifications
 - a. Description and relevant prior experience
 - b. Three (3) Local Government Official References
 - c. Staff Description and Resumes (partner, manager, and auditor in charge to be assigned to the engagement)
 - d. Current External Quality Control Review Report
 - e. WHEN CONTRACT VALUE EXCEEDS \$5,000: Pursuant to subsection 1 of section 285.530, RSMo, no Contractor or Subcontractor shall knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri. The selected firm will be required to complete a certificate stating that all firm employees or subcontractors will be required to complete a work authorization certification.
2. Technical Approach
 - a. Express agreement to meet or exceed the Performance Specifications (Section B)
 - b. Tentative Audit Phase Schedule
 - c. Brief description of audit procedures to be followed
 - d. Description of firm's ability to identify, evaluate and communicate on local government financial problems.
3. Fees
 - a. Maximum fee for the county audit for each included year for the agreed upon procedures.
 - b. Explanation of hours and hourly rates for each level of staff and all other expenses.

D. EVALUATION PROCEDURES

The county shall evaluate the proposals based on the qualifications, relevant experience and responsiveness of the bidders, as well as the estimated cost of the engagement. Johnson County reserves the right to reject any and/or all bids and may select the bid they determine to be most advantageous.

E. BILLING AND PAYMENT

Progress payments, less a 20 percent (20%) retainer, may be billed monthly for services rendered in the prior month. Final payment will be due upon receipt of the final reports.

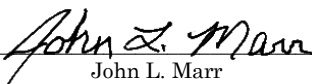
F. FURTHER INFORMATION

Questions or clarifications shall be directed, in writing, to JPowers@JoCoCourthouse.com by noon on Thursday, October 14, 2021. Responses to questions/clarifications will be placed on the County's website at: <http://www.jococourthouse.com/bids.html>

THE JOHNSON COUNTY COMMISSION



 Densil Allen
 Presiding Commissioner



 John L. Marr
 Eastern Commissioner



 Charles Kavanaugh
 Western Commissioner

COUNTY OF JOHNSON, MISSOURI

BID SPECIFICATIONS: Johnson County Audit – Appendix A

Principal departments, all of which will be subject to this audit include the following:

- Assessor
- Associate Court – Associate Division
- Associate Court – Probate Division
- Auditor
- Building and Grounds
- Circuit Clerk
- Circuit Court – Division I
- Circuit Court – Division II
- Circuit Court Administrative
- Collector of Revenue
- Commissioners Administrative
- Coroner
- County Clerk
- County Commission
- Emergency Management Agency
- Family Services
- Funds 001 through 131
- Human Resources
- Juvenile Office
- Prosecuting Attorney
- Public Administrator
- Recorder of Deeds
- Road and Bridge
- Sheriff
- Surveyor
- Treasurer

COUNTY OF JOHNSON, MISSOURI

BID SPECIFICATIONS: Johnson County Audit – Appendix B

The firm shall perform the procedures listed for the officeholder agency funds and report on those procedures under the attestation standards.

As applicable, for each officeholder and department that received and disburses funds:

- a. For a selected month
 - i. For each bank account, review the bank reconciliation for accuracy and completeness.
 - ii. Trace amounts from the officeholder's monthly report to their registers.
 - iii. Agree payments as noted on the monthly report to the bank statement where cleared.
 - iv. Examine safekeeping receipts for adequacy of collateral.
- b. Select three (3) transactions from source documents, recalculate the total fee charged and the distribution, and trace to their detail registers.
- c. Discuss the recommendations made in our prior year's management letter with the officeholder and document any changes in accounting procedures.