



January 6, 2020

Re: Request for Proposal for Audit Services

To Whom It May Concern:

Cooperative Computer Services (CCS) is accepting proposals from Certified Public Accounting firms to provide audit services for our organization. We invite your firm to submit a proposal to us by Friday, January 24, 2020 for consideration. A description of our organization, the services needed, and other pertinent information follows.

Description of Cooperative Computer Services

CCS was established as an Illinois Intergovernmental Instrumentality in 1988 and currently serves a clientele of 27 public libraries in the north and northwest suburbs of Chicago. (A list of members is attached and may be found on our website at www.ccslib.org.) CCS is governed by a Governing Board composed of one representative from each member library and an elected seven-member Executive Committee drawn from the Governing Board and administered by an Executive Director.

CCS provides library automation support for its members, consisting primarily of an Integrated Library System to support circulation, holds, acquisitions, etc., and a public user interface and search engine. CCS contracts out for janitorial services, building maintenance services, legal services, accounting services and occasional consulting services.

The primary source of funding for CCS is our member libraries, who approve the budget each Spring. CCS has a June 30 fiscal year end. As an Illinois Intergovernmental Instrumentality, we are not subject to external requirements or deadlines regarding our audit, but we conduct it annually in the name of sound practice and accountability, and submit it to the Governing Board for acceptance at the October Governing Board meeting, which generally falls on the fourth Wednesday of October. A copy of CCS's most recent audited annual financial statement is attached.

All work papers will be prepared by CCS staff and 3rd party accountant Lauterbach and Amen. CCS will provide fully adjusted trial balances.

Service to be Performed

Your proposal is expected to cover the completion of the audit of CCS's annual financial statement in compliance with generally accepted auditing standards as established by the American Institute of Certified Public Accounts as applicable to governmental units. The audit work includes submission of three printed copies and an electronic copy of the Audit Report and Annual Financial Report to the Executive Director and will include meetings with CCS's staff and/or Accountant as necessary. CCS values and expects complete and open communication with the Auditor. The Auditor should inform CCS of changes in relevant standards early enough so that those changes may be addressed in a timely

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manner. The Auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the internal control structure, which could adversely affect the organization’s ability to record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the Auditor shall be reported in a separate letter to management (Management Letter).

Term of Engagement

Please provide proposals for fiscal years endings 6/30/2020 – 2024; see part 8 of the Your Response section of this document on page three.

Key Personnel

Following are key contacts for information you may seek in preparing your proposal:

Rebecca Malinowski	Executive Director	847-483-8604
Kate Hall	President of the Board	847-272-7084
Andy Kim	Treasurer of the Board	847-835-5056

Requests for additional information, visits to our site, review of prior financial statements, and/or appointments with the board members and staff should be coordinated through the Executive Director, who may be reached at the number listed above or by email at rmalinowski@ccslib.org. Please return the completed proposal to my attention at the above address.

Relationship with Prior Auditor

These services have been provided by McClure Inserra since 2004. As part of good fiscal practices, we are conducting a periodic review and seeing proposals currently from a wider pool of candidates. In preparing your proposal, please be advised that management will give permission to contact the prior auditors.

Other Information

Working Papers

The working papers shall be retained for at least five years. The working papers will be available for examination by authorized representatives of CCS, and, if required, the cognizant federal audit agency and the General Accounting Office.

Government Accounting Standards Board

It is expected that your firm will have experience and adequate staff available to meet the changes that have been brought forth by GASB 34 and subsequent statements. CCS expects the successful proposer

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to review all supplemental schedules and to advise, as necessary, on related accounting and reporting concerns.

Your Response to this Request for Proposal

In responding to this request, we request the following information:

1. Detail your firm's size, structure, and experience in providing auditing services to Illinois Intergovernmental Instrumentalities, public library automation consortia, public libraries, as well as other government agencies.
2. Provide information on whether you provide services to any related industry associations or groups.
3. Discuss the firm's independence with respect to CCS.
4. Discuss the internal controls at your firm. How frequently are the firm's practices audited?
5. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
6. Identify the five largest clients your firm (or office) has lost in the past three years and the reasons. Also discuss, in instances where loss of the client was due to an unresolved auditing or accounting matter, the process of attempting to resolve the issue(s).
7. Identify the partner, manager, and in-charge accountant who will be assigned to our job if you are successful in your bid and provide biographies. Indicate any complaints against them that have been leveled by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
8. Describe how your firm will approach the audit of CCS, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the firm's use of technology in the audit. Discuss how much of the work would be done off-site. Discuss whether you note any significant quirks about our reports or audit. Discuss any potential scheduling issues related to our audit. Discuss any extraordinary needs from us in order to conduct the audit. And finally, discuss the communication process used by the firm to discuss issues with the management and finance committee of the board.
9. Set forth your fee proposal for the FY 2019-2020 audit, with whatever guarantees can be given regarding increases in future years. You may also additionally propose fees for three- or five-year terms of engagement.
10. Furnish standard billing rates for classes of professional personnel for each of the last three years.
11. Provide the names and contact information for other, similar clients of the partner and manager that will be assigned to our organization for reference purposes.
12. Provide a sample audit completed for another intergovernmental instrumentality.
13. Provide a sample Engagement Letter listing all services expected of CCS and your firm.

Evaluation of Proposals

CCS will evaluate proposals on a qualitative basis. Firms who make it to the final round will be expected to meet with CCS at a session meeting to be scheduled for February 2020. Firms that will be moving to

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the final round will be notified no later than February 5, 2020. CCS reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be made to the independent auditor who, based on evaluation of all responses, applying all criteria and oral interviews if necessary, is determined to be the best qualified to do the audit. We anticipate the successful bidder will be notified by April 15, 2020.

Please submit your response to this request for proposal before 5 P.M. on Friday, January 24, 2020. We would also appreciate a response if you decline to submit a proposal.

Sincerely,

A handwritten signature in cursive script that reads "Rebecca Malinowski".

Rebecca Malinowski
Executive Director

Attachments: Most recent audited financial statements
Most recent approved monthly financial statements
List of member libraries

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