

Board of Trustees

Washtenaw Community College

DISCUSSION

4800 E. Huron River Drive
Ann Arbor, Michigan 48105-4800

Subject
Appointment of External Audit Firm

Date
February 23, 2021

Background

State law requires an annual certified audit of the College financial statements. The firm of Rehmann Robson, LLC has served as the College's independent auditor for the past 11 years.

The College released an RFP in November 2020 and received six proposals in response to its request. The RFP Committee, comprised of WCC Board Treasurer Angela Davis, VP & CFO Bill Johnson, Controller Ben Hunholz, Director of Financial Aid Lori Trapp, Financial Reporting and Accounting Manager Carrie Holt and representing the WCC Foundation Board Treasurer Nicole Torbert and Associate VP Phil Snyder, reviewed the responses, evaluating the proposals on several criteria, including but not limited to: experience within the higher education industry; customer service approach and resources for their clients; the firm's presence in the State of Michigan; quality of audit staff; and pricing. Four of the six firms that responded were invited to respond to the committee's follow-up inquiries via a virtual interview. Taking into consideration the initial proposal submitted, the interview response, as well as assigning a value for rotation of audit firms and organizational fit with the College, it is the committee's recommendation that the WCC Board of Trustees appoint the firm Andrews Hooper Pavlik PLC (AHP) as the College's external auditor for the next three years. Please find enclosed the RFP Bid Summary for your review.

AHP is a Michigan based firm, with locations in nine communities, including Ann Arbor. AHP currently performs audit services for five Michigan higher education institutions, including Delta College, Ferris State University, Lake Superior State University, Michigan Technological University and Saginaw State University. AHP has performed audit services for Delta College since 2005 and reference checks confirmed a very high level of satisfaction with AHP for both the financial and single audit services. AHP also has extensive nonprofit audit experience, including six higher education associated foundations.

Pricing for the three-year appointment includes performing the annual financial audit, the Single Audit of Federal Awards and preparation of the financial statements.

<u>Service Category</u>	<u>Year Ended June 30</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
College audit (including general purpose financial statements with Foundation presented as discrete component unit; supplementary information; and letter to, and meetings with Board of Trustees)	\$ 39,000	\$ 39,000	\$ 39,000
Single Audit (includes one major program, Student Financial Aid Cluster)	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>
Total College cost for Audit Services	<u>\$ 48,000</u>	<u>\$ 48,000</u>	<u>\$ 48,000</u>

RECOMMENDATION

That the Board of Trustees appoint the firm of Andrews, Hooper, Pavlik PLC, as the College external auditors for the three fiscal years ending June 30, 2021, 2022 and 2023.

A ROLL CALL VOTE WILL BE TAKEN

Prepared by: William Johnson
 Title: Executive Vice President of Finance and CFO

Recommended by: *Rose B. Bellanca E.D.*
 Rose B. Bellanca, President
