Request for Proposal (RFP)
Educational Data Systems, Inc.
Audit Services

REQUEST FOR PROPOSAL: Audit Services Summary

EDSI requests qualified independent certified public accountants to submit proposals to enter into a five-year contract to perform program-specific audits.

EDSI reserves the right to review the agreement on a regular basis regarding performance and cost analysis, and may negotiate price and service elements during the term of the contract.

All inquiries for information should be directed to:

Rob Dancer, CFO
15300 Commerce Drive N.
Dearborn, MI 48120
rdancer@edsi.com

A full copy of the RFP is available on the EDSI website (EDSI.com).

Questions will be accepted until 5:00 p.m. on 8/14/2026.

All questions and answers will be posted on the EDSI website (EDSI.com) no later than 5:00 p.m. on 8/21/2026.

Proposals are due by 5:00 p.m. on 8/28/2026.

Proposals should be mailed, emailed, or hand delivered to:

Rob Dancer, CFO
15300 Commerce Drive N.
Dearborn, MI 48120
rdancer@edsi.com

I. Purpose

EDSI intends to award a contract to a qualified CPA firm to perform program-specific audits covering approximately 25 audit reports and 45–50 federally funded programs, including WIOA and TANF funded activities.

II. Proposed Schedule of Implementation

A. Issue Request for Proposal (RFP): 7/20/2026
B. Questions Due: 8/14/2026
C. All Questions and Answers Posted on Website: 8/21/2026
D. Proposal Due: 8/28/2026
E. Award of Contract: on or before 9/14/2026

III. Scope of Work to Be Performed

A. Audit Standards:

The auditor shall perform an audit for each fiscal year of the contract period in accordance with the following:

1. Auditing standards generally accepted in the United States of America, as promulgated by the American Institute of Certified Public Accountants (AICPA)
2. *Government Auditing Standards*, 2011 revision, published by the U.S. Government Accountability Office
3. For the annual audit – the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), where applicable

B. Report Requirements:

A reporting package must be prepared and submitted for every audit performed. The reports may be in the form of either combined or separate reports, and the reporting package can be organized differently from the order presented in the guidelines. To comply with the reporting requirement, auditee, as a for-profit recipient, shall have a program-specific audit performed, based on the award(s) year, and should obtain from auditor:

1. Expenditures of Federal Awards Financial Report – Management prepares EDSI’s Schedule of Expenditures of Federal Awards (SEFA). The auditor shall audit the SEFA and records of EDSI. The auditor shall issue an auditor’s opinion on the presentation in conformity with terms of the awards and the cost principles governing the expenditures of funds, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

2. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters – The auditor shall issue a report on internal control over financial reporting and on compliance and other matters in accordance with Government Auditing Standards.
3. Management Letter – As appropriate, the auditor shall prepare a comprehensive management letter including the auditor's findings and recommendations relative to the internal control over financial reporting, compliance with laws and regulations, as applicable, and adherence to generally accepted accounting principles.
4. Reporting Deadlines – The audit must be completed with an electronic copy of each of the required auditor's reports and must be submitted in accordance with individual contractual obligations.

IV. Submission of Reports

The auditor should be able to perform the audit within the required timeline and must be ready to compensate the auditee for any penalties that may result from delayed responses caused by the auditor.

V. Proposal Preparation and Submission Requirements

NOTICE: By submitting a proposal in response to this RFP, the Bidder is acknowledging that the requirements, scope of work, and evaluation process outlined in this RFP are fair, equitable, not unduly restrictive, understood, and accepted. Any exceptions to the content of the RFP must be protested to EDSI prior to the closing date and time for submission of the proposal.

The proposal must be received no later than August 14, 2026, by 5:00 p.m. EST or the proposal will be otherwise disqualified.

The preferred method of proposal submission is electronically in PDF format to rdancer@edsi.com. However, if you choose to submit a hard copy, it must be submitted to Rob Dancer, EDSI's CFO, at the address below, postmarked on or before August 14, 2026.

EDSI
15300 N. Commerce Drive
Dearborn, MI 48120

Selection of the contractor will be made on or before September 14, 2026, and all Bidders who have submitted will be notified immediately as to the selection results.

RIGHT TO REJECT

EDSI reserves the right to reject any and all proposals submitted and to request additional information from all Bidders. EDSI also reserves the right to cancel the RFP and award at any time at its sole discretion. EDSI is not liable for any expenses incurred by Bidder in preparing for and responding to this RFP.

VI. Proposal Qualification Requirements

An interested certified public accounting firm (Bidder) must include the following information in its proposal to be considered.

A. PROFILE OF THE BIDDER

1. The organization and size of the Bidder, and whether it is local, regional, national, or international in operations.
2. The office location from which the work is to be done and the number of professional staff, by staff level, employed at the office. Also describe the Bidder's policy on availability/responsiveness of staff and potential fees for questions between audit years.
3. A positive statement that the following mandatory criteria are satisfied:
    a. An affirmation that the Bidder is properly licensed for practice as a Certified Public Accountant in the State of Michigan
    b. An affirmation that the Bidder meets the independence requirements of AICPA Rule 101 and the *Government Auditing Standards*
    c. An affirmation that the Bidder meets the continuing education and external quality control review requirements contained in the current version of the *Government Auditing Standards*
4. Is the Bidder, any principals of the Bidder, or any affiliate to the Bidder the focus of any pending or ongoing litigation, formal investigation, or administration proceedings related to attestation services? If yes, please describe.
5. A copy of the Bidder's most recent peer review report

B. BIDDER'S QUALIFICATIONS

1. Identify the audit partners, audit managers, field supervisors, and other staff who will work on the audit, including staff from locations outside the local office. Include resumes which outline relevant experience and continuing education for the staff auditors, up to the individual with final responsibility for the audit.
2. Describe a recent local office auditing experience similar to the type of audit requested.
3. The above information for any other firms and their employees that may participate in the audit

C. BIDDER’S APPROACH TO THE EXAMINATION

Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate the Bidder's understanding of the audit requirements and the audit tests and procedures to be applied in completing the audit plan. The plan should detail the expected number of audit hours. The plan should also identify the breakdown of total hours between staff and higher levels. The planned use of specialists, if any, should also be specified. Please base expected number of audit hours on previous experience similar to the type of audit requested.

EDSI encourages, but does not require, some preliminary work during the middle part of the year to spread out time requirements on EDSI management and staff. That preliminary work should be restricted principally to documentation and testing of internal controls and compliance testing, and not analytical reviews and roll-forwards.

D. TIME REQUIREMENTS

Detail how the reporting deadline requirements of the audit will be met.

E. FEES

Supply the billing rates, estimated number of billable hours, other billable expenses, and a comprehensive “not-to-exceed” fee for the audit, inclusive of travel and all other out-of-pocket expenses. As noted, it is expected that if the Contractor performs satisfactorily for the June 30, 2026 audit, it will be engaged to perform the audit for up to four additional years. Therefore, the not-to-exceed fee requested above should be provided on an annual basis for fiscal years ending 2026 through 2030. The annual contract extensions will be negotiated before the start of each extension.

F. NON-DISCRIMINATION

Affirm that the Bidder does not discriminate against any individual because of race, color, sex, age, religion, national origin, disability, pregnancy, familial status, veteran status, genetic information, sexual orientation, or gender identity, and that these are not factors in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion, or separation.

G. CONFLICT OF INTEREST

Affirm that none of the Bidder’s officers, employees, or immediate family members of its officers and employees is or has been an elected official, employee, board member, or commission member of EDSI or its affiliates who influence the RFP, selection of a Bidder, or the subsequent written agreement. Each Bidder must also represent and warrant that it has not provided any compensation in any form, whether directly or indirectly, to an elected official, employee, board member, or commission member of EDSI or its affiliates who influence the RFP, selection of a Bidder, or the subsequent written agreement.

VII. CONTRACTUAL ARRANGEMENTS

A. DOCUMENT RETENTION
   a. Work papers and reports for the audit must be retained for a period of five years after the completion of the audit and made available upon request from the contracting entities.

B. COMPENSATION FOR SERVICES
   a. Progress payments may be made during the audit period based on percent of work completed. Final payment for the audit will be made upon receipt of the audit reports required in Section II.

C. AVAILABILITY OF STAFF
   a. EDSI staff will be available to prepare schedules, indirect rate schedules, and provide documentation to assist the auditor during the audit.

D. CONFIDENTIALITY
   a. The Bidder must be willing to guarantee the confidentiality of all files, emails, documents, and other information that are obtained or accessed in execution of the audit, unless it has received prior written authorization from EDSI. The Bidder must also be willing to use reasonable precautions and processes to prevent unauthorized access, use, or disclosure of any file, email, document, or other information.

E. WRITTEN AGREEMENT
   a. By submitting a proposal to the RFP, the Bidder signifies that it is willing and able to enter into a written agreement with EDSI to fulfill each of the terms found in the RFP.

VIII. EVALUATION OF PROPOSALS

The following criteria will be considered when making an evaluation of the proposals, each having a scoring weight of 25%:

A. RESPONSIVENESS OF THE PROPOSAL (25% SCORING WEIGHT)
   Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed.
   1. Appropriateness and adequacy of proposed procedures
   2. Reasonableness of time estimates, timing of audit, and total audit hours
   3. Appropriateness of plan to meet stated deadlines
   4. Appropriateness of assigned staff levels, including proposed fieldwork hours of managers and partners
   5. Availability and responsiveness of audit staff

B. TECHNICAL EXPERIENCE OF THE FIRM (25% SCORING WEIGHT)
   1. Governmental audit experience, including number and size of past and current governmental clients (with specific emphasis on municipal clients)
   2. Size and structure of the firm
   3. Results of most recent peer review

C. QUALIFICATIONS OF STAFF PROPOSED TO PERFORM THE AUDIT (25% SCORING WEIGHT)
   1. Years of government auditing experience (with specific emphasis on municipal clients)
   2. Knowledge of Uniform Guidance and SEFA reporting requirements

D. COST OF THE AUDIT (25% SCORING WEIGHT)

IX. SOURCES OF INFORMATION

The individual listed below may be contacted for information.

Robert Dancer, CFO
Phone: 313-271-2660
Email: rdancer@edsi.com