

August 28, 2006

Invitation to Bid

The Library Network is seeking bids for auditing services for the fiscal year ending 2006 (October 1, 2005 – September 30, 2006) and two years beyond. Specifications for bidding this service and information about the library cooperative follow.

Those bidding to provide audit services should submit the following:

1. A history of the firm.
2. Names of libraries, school districts, governmental units or non-profit organizations currently being audited by the firm, or whose audit was completed in the past 12 months.
3. Names and resumes of the individuals who would be performing the audit for our library cooperative.
4. The estimated hours needed to perform the audit, and an outline of the services that will be provided during the audit.
5. An affirmation that the firm submitting the bid is properly licensed for public practice as a certified public accountant or a public accountant, and meets the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, 1981 revision, published by the U.S. General Accounting Office.
6. When responding to these questions, please list your fees for a certified OMB Circular A-133 Single Audit as a separate item from your fees for a certified financial audit.
7. If not included in the normal services provided through your auditing firm, The Library Network requests the following services:
 - A. The auditing firm selected via the bid process will be expected to perform an initial review of the financial and business operations and procedures of the cooperative within sixty (60) days of the award of contract. The review will be conducted with the TLN Director, the TLN Finance Committee, and the TLN Controller to discuss preparations for the audit.

- B. Prior to the submission of the completed audit and management letter, the audit firm will be requested to meet with the same TLN team members described above in A. to review a draft of the proposed report and management letter. The management letter should include required communications of material weaknesses in internal control, disclosures of non-material weaknesses in internal control, disclosures of non-material violations of finance-related legal and contractual provisions, and auditor recommendations for financial and program management improvements.
 - C. Working papers will be retained by the audit firm for at least a three (3) year period and be available for examination by authorized representatives of interested state and federal agencies, and by representatives of The Library Network.
 - D. The audit reports will include statements of financial condition, revenue and expenditure summaries, compliance or non-compliance with the Uniform Budgeting and Accounting Act, as well as with generally accepted accounting principles (GAAP) as applied to governmental units. The Library Network is subject to the audit requirements for recipients of federal aid established according to the Single Audit Act of 1984, Public Law 98-502; Single Audit Act Amendments of 1996, Public Law 104-156; in accordance with Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.
 - E. The audit is to be submitted to The Library Network Board by January 31, 2007. A public presentation to the Board is required. 25 copies of the audit document are required. The final audit report, once accepted by the Board, is submitted to The Library of Michigan and to the Michigan Department of Treasury, in accordance with the State Aid to Public Libraries Act, 1977.
8. Bids must be submitted to Rick Rosekrans, Controller, The Library Network, 13331 Reeck Road, Southgate, Michigan, 48195-3054, **no later than 5:00 p.m. on Friday, September 29, 2006**. The Library Network reserves the right to accept or reject any or all bids. If any additional information is required, please contact Rick Rosekrans, Controller, 734-281-3830 x102 or rosekrans@tln.lib.mi.us.

The Library Network (TLN) is an autonomous entity of the State of Michigan, created by Public Act 89 of the state legislature in 1977. There are fourteen autonomous entities, commonly referred to as library cooperatives that operate in Michigan. TLN's funding derives from State Aid and fees from its member libraries. Its members are public libraries, and those academic libraries, corporate libraries and school libraries that join as affiliate members.

The member libraries receive services from TLN such as delivery, contract negotiation to gain discounts on books, magazines and equipment, an automation system designed for libraries, interlibrary loan support and continuing education classes.

TLN provides services to libraries in Western Wayne County, Oakland County, St. Clair County, Livingston County and Washtenaw County. In some instances, TLN contracts to provide services to other library cooperatives.

A nine-member Board of Trustees, who are elected by member libraries, governs TLN.

The cooperative has 35-40 employees depending upon the projects and level of services provided throughout the year.

TLN's accounts are maintained in part electronically and in part manually. The accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity.

An audit of FY 2004-05 was conducted in the past twelve months. Annual revenues of TLN in FY 2004-05 were \$6,146,882

A copy of our current audit is available at:
www.tln.lib.mi.us/board/0405tlnaudit.pdf