

**CITY COUNCIL MINUTES**

**March 20, 2023**

**Standard Purchasing Resolution 8: Best Value Award – Audit Services**

Resolution #2023-03-048-J-4d

RESOLVED, That Troy City Council hereby **AWARDS** a three-year contract to provide Audit Services for years 2023, 2024, and 2025 with an option to renew for two additional years to *Yeo & Yeo of Auburn Hills, MI*, the highest overall scoring firm, as a result of a Best Value process, at prices as contained in the bid tabulation opened February 23, 2023 and respective fee schedule, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; contract expiring December 31, 2027.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor submission of proper contract and proposal documents, including insurance certificates and all other specified requirements.

CITY OF TROY  
TABULATION  
FINANCIAL AUDIT SERVICES

VENDOR NAME:	Clark Schaefer Hackett	Plante Moran
CITY:	East Lansing, MI	Detroit, MI

PROPOSAL: FINANCIAL AUDIT SERVICES											
PROPOSAL PRICING: TOTAL ALL-INCLUSIVE ANNUAL FEES											
MAXIMUM ESTIMATED HOURS	YEAR ENDED										
	2023	2024	2025	2026 (Optional)	2027 (Optional)	2023	2024	2025	2026 (Optional)	2027 (Optional)	
Partners	40	40	40	40	40	75	55	55	55	55	
Managers	80	80	80	80	80	125	95	95	95	95	
Supervisory Staff	80	80	80	80	80	210	175	175	175	175	
Staff	200	200	200	200	200	415	350	350	350	350	
MAXIMUM ESTIMATED HOURS:	400	400	400	400	400	825	675	675	675	675	
ALL-INCLUSIVE MAXIMUM FEES	YEAR ENDED: 2023 2024 2025 TOTALS:		Audit, ACFR Prep & Reporting		Single Audit		Audit, ACFR Prep & Reporting		Single Audit		
			\$65,000		\$6,000		\$119,000		\$15,000		
			\$68,250		\$6,500		\$123,000		\$15,500		
			\$71,750		\$7,000		\$127,500		\$16,000		
			\$205,000		\$19,500		\$369,500		\$46,500		
TOTAL ALL-INCLUSIVE MAXIMUM FEES:		\$224,500					\$416,000				
Optional Additional Years:											
YEAR ENDED: 2026 2027		\$75,500		\$7,500		\$132,000		\$16,600			
		\$79,250		\$8,000		\$137,000		\$17,200			
TOTAL ADDITIONAL YEARS:		\$170,250					\$302,800				
REQUEST FOR PROPOSAL CONTENT:  A. Cover Sheet Y or N B. Table of Content Y or N C. Organization Information Y or N D. Qualifications and Experience Y or N E. Work Plan Y or N F. Project Approach Y or N G. References Y or N  INSURANCE CAN BE MET: Y or N INDEMNIFICATION FORM: Y or N  PAYMENT TERMS: Y or N EXCEPTIONS: Y or N ACKNOWLEDGEMENT: Y or N REQUEST FOR PROPOSAL PRICING: Y or N FORMS: Y or N							2023	2024	2025	2024	2025
							\$10,000*	\$10,350*	\$10,700*	\$11,100*	\$11,500*
							* Amount specified is for each add'l program				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				
		Y					Y				

Rob Maleszyk  
Dee Ann Irby  
Kyle Vieth  
Andrew Chambliss  
Jodi Kolakowski

Emily Frontera  
Purchasing Manager

CITY OF TROY  
TABULATION  
FINANCIAL AUDIT SERVICES

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VENDOR NAME:	Rehmann Robson LLC	Yeo & Yeo CPAs & Advisors
CITY:	Troy, MI	Auburn Hills, MI

MAXIMUM ESTIMATED HOURS	YEAR ENDED									
	2023	2024	2025	2026 (Optional)	2027 (Optional)	2023	2024	2025	2026 (Optional)	2027 (Optional)
Partners	40	40	40	40	40	20	20	20	20	20
Managers	110	110	110	110	110	80	60	50	50	50
Supervisory Staff	80	80	80	80	80	100	90	100	100	100
Staff	180	180	180	180	180	220	200	200	200	200
MAXIMUM ESTIMATED HOURS:	410	410	410	410	410	420	370	370	370	370
ALL-INCLUSIVE MAXIMUM FEES			Audit, ACFR Prep & Reporting		Single Audit		Audit, ACFR Prep & Reporting		Single Audit	
	YEAR ENDED:	2023	\$69,000		\$7,000		\$70,000		\$6,000	
		2024	\$72,500		\$7,400		\$72,500		\$6,300	
		2025	\$76,100		\$7,800		\$75,000		\$6,600	
		TOTALS:	\$217,600		\$22,200		\$217,500		\$18,900	
TOTAL ALL-INCLUSIVE MAXIMUM FEES:	\$239,800					\$236,400				
Optional Additional Years:										
YEAR ENDED:	2026	\$69,000		\$7,000		\$77,500		\$6,900		
	2027	\$72,500		\$7,400		\$80,000		\$7,200		
TOTAL ADDITIONAL YEARS:	\$155,900					\$171,600				
REQUEST FOR PROPOSAL CONTENT:		2023	2024	2025						
		\$4,000*	\$4,200*	\$4,400*						
		* Amount specified is for CSLFRF ACEE								
	A. Cover Sheet	Y or N	Y			Y				
	B. Table of Content	Y or N	Y			Y				
	C. Organization Information	Y or N	Y			Y				
	D. Qualifications and Experience	Y or N	Y			Y				
	E. Work Plan	Y or N	Y			Y				
	F. Project Approach	Y or N	Y			Y				
	G. References	Y or N	Y			Y				
INSURANCE CAN BE MET:	Y or N	Y			Not Specified					
INDEMNIFICATION FORM:	Y or N	N			N					
PAYMENT TERMS:	Y or N	Not Specified			Invoices payable on presentation					
EXCEPTIONS:	Y or N	None			None					
ACKNOWLEDGEMENT:	Y or N	Y			Y					
REQUEST FOR PROPOSAL PRICING:	Y or N	Y			Y					
FORMS:	Y or N	Y			Y					



**YEO & YEO**

CPAS & ADVISORS

# **City of Troy, Michigan Fee Proposal**

February 23, 2023





**YEO & YEO**

CPAS & ADVISORS

# **City of Troy, Michigan Fee Proposal**

February 23, 2023



## SECTION 7: PROPOSAL TERMS AND CONDITIONS

1. **Inquiries:** Any inquiries concerning this request for proposal should be addressed to Emily Frontera, Purchasing Manager at E.Frontera@troymi.gov.
2. **Signature:** Each firm must have their authorized representative sign the proposal with their usual signature and shall give their full business address. Proposals by partnerships shall have proposals signed by one of the members or by an authorized representative of the partnership with the partnership name. Proposals by corporations shall be signed with the name of the corporation followed by the signature and designation of the President, Secretary, or other person authorized to bind it in the matter. RFP Proposals from governmental agencies must be signed by the principal authorized to bind it in the matter.
3. **Retain Proposals:** The City reserves the right to retain all proposals submitted and to use any ideas in the proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the Agreement between the City of Troy and the firm selected.

**PROPRIETARY INFORMATION:** If there is information included in the RFP that is considered "Proprietary", all pages with the proprietary information shall be marked as such. If the pages are not identified as proprietary information, those pages shall be deemed non-proprietary and made available through the Freedom of Information Act upon request.

4. **Laws:** All applicable State of Michigan and Federal laws, City and County ordinances, licenses and regulations of all Agencies having jurisdiction shall apply for the entire contract term and incorporated here by reference. The Agreement and all questions concerning the execution, validity or invalidity, capacity of the parties, and the performance of the Agreement, shall be interpreted in all respects in accordance with the Charter and Code of the City of Troy and the laws of the State of Michigan.
5. **Purchase Order:** After the Troy City Council has approved the award, a Notice of Award letter will be sent to the successful firm. The purchase order issued from the City of Troy with the signed Contract Form attached will create a bilateral contract between the parties and commit the successful bidder to perform the contract in accordance with proposal provisions including, but not limited to, specifications, terms, and conditions. The purchase order will be released upon submittal of an insurance certificate that meets specifications.
6. **Address on File:** RFP documents are available through the Bidnet Direct/MITN e-procurement website that can be accessed at [www.bidnetdirect.com/city-of-troy-mi](http://www.bidnetdirect.com/city-of-troy-mi). The only other method to obtain documents is directly from the City of Troy Purchasing Department located 500 W Big Beaver, Troy, MI 48084. A business card or contact information must be left with the Purchasing Department as record that the company has received a proposal or addendum as issued. It is the organizations responsibility to obtain any additional documents issued for this RFP process.
7. **Contract Termination:** The City of Troy reserves the right to terminate the contract **without penalty** upon 7 days written notice due to poor performance or for any reason deemed to be in its best interest. The City of Troy designated representative will be solely responsible for determining acceptable performance levels. His/her decision will be deemed in the City of Troy's best interest and will be final. The City of Troy reserves the right to re-award or re-bid the contract, whatever manner is deemed to be its best interest.

FIRM NAME: Yeo & Yeo, P.C.

8. **Changes in the RFP:** Should any prospective respondent be in doubt as to the meaning or interpretation of any portion of this RFP which includes the RFQ, or should the respondent find any ambiguity, inconsistency or omission therein, the respondent may make a written request for an official interpretation or correction. Such requests, as well as requests for additional information, shall be submitted to the Purchasing Department [EMAIL: E.Frontera@troymi.gov or 248.680.7291] not less than seven (7) days prior to the final date of submittal of the proposals. If the information requested is available, the correction or interpretation will be posted on the MITN website.

9. **Invoicing and Payment:** The City of Troy reserves the right to select the invoicing option deemed to be in its best interest at the time of implementation of the contract. No additional costs will be incurred for the invoicing option selected.

Termination of service will be unacceptable for non-payment of a bill without the successful bidder contacting the designated City representative to resolve the problem. The City will have 45 days to resolve any billing problem from written notice of the termination of service.

10. **Down Payments and Prepayments:** Any proposal submitted which requires a down payment or prepayment for services prior to performance and acceptance, as being in conformance with specifications will not be considered for award. No payments will be made until work/ service is performed to the satisfaction of the authorized City representative.

11. **Award:** The evaluation and award of this proposal shall be a combination of factors including, but not limited to: the completion of all information requested and detailed in the RFP which includes the RFQ, adherence to minimum qualifications, evaluation of the weighted criteria, evaluation of the fee proposals including the required time frame for audit completion, professional competence, references and the correlation of the proposal submitted to the needs of the City of Troy and any other factors considered to be in the best interest of the City of Troy.

The City of Troy reserves the right to select the most qualified firm providing the best value proposal, in whatever manner is deemed to be in the City's best interest; to negotiate a final contract with the most effective total package which matches the City's needs; to reject a proposal which contains major deviations from specifications; to accept a proposal which has only minor deviations from specifications; to proceed in whatever manner is in the City's best interest.

12. **Qualification/Inspection/Interviews:** Submissions will only be considered from organizations normally engaged in providing the types of services specified herein. The City reserves the right to inspect the organizations facilities, personnel, and business at any time, or to take any other action necessary to determine the contractor's ability to perform. The City reserves the right to reject Proposals where evidence or evaluation is determined to indicate inability to perform. The City reserves the right to interview any number of responding organizations and/or to eliminate any process if deemed to be in the City's best interest.

13. **Forms:** Bidders should complete and sign the Legal Status of Bidder, Non-Collusion Affidavit, Certification regarding Debarment, the Certification regarding "Iran Linked Business" and the Familial Disclosure Forms and return with your response. A contract Agreement will be completed after award.

Firm Name: Yeo & Yeo, P.C.

### SIGNATURE PAGE

**PRICES:**

Prices quoted shall remain firm for 60 days or bid award whichever comes first except the successful bidder whose prices shall remain firm through contract expiration.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Alan Panter

**NOTE:**

The undersigned has checked carefully the figures bid and understands that he/she shall be responsible for any error or omission in this proposal offer and is in receipt of all addendum as issued.

COMPANY / ENTITY NAME Yeo & Yeo, P.C.

ADDRESS 691 N. Squirrel Rd, Suite 100 CITY Auburn Hills STATE MI ZIP 48326

TELEPHONE NUMBER ( 248 ) 239-0900 FAX NUMBER 248 239-0910

COMPANY REPRESENTATIVE NAME Alan Panter, CPA, CGFM

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Alan Panter (Print)

Invoices payable on

PAYMENT TERMS presentation EMAIL: Alan.Panter@yeoandyeo.com

Completion Schedule: In accordance with Specified Timeline

**EXCEPTIONS:**

Any exceptions, substitutions, deviations, etc. from the City specifications and this proposal must be stated below, the reason for the exception, substitution, deviation, etc. are an integral part of this proposal offer:

None

**ACKNOWLEDGEMENT:**

I, Alan Panter, certify that I have read the *Instructions to Bidders* (3 Pages) and that the request for proposal documents contained herein were obtained directly from the City's Purchasing Department.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: Alan Panter

**NOTE:**

The City of Troy, at their discretion, may require the bidder(s) to supply a Financial Report from an impartial Financial Credit Reporting Service before award of contract.

**IMPORTANT:**

All City of Troy purchases require a MATERIAL SAFETY DATA SHEET, where applicable, in compliance with the MIOSHA "Right to Know" Law.

**U.S. FUNDS:** All prices are to be quoted in U. S. Currency.



## **APPENDIX A: REQUEST FOR PROPOSAL PRICING**

Fees are based on standard hourly rates plus out-of-pocket costs and the time anticipated to complete the audit. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit.

The bid is based on our estimate of the time required to audit the City of Troy under normal circumstances. Adequate, reconciled supporting data must be readily available to maintain and/or reduce overall cost of a properly conducted financial and compliance audit. Our firm is dedicated to this cause and is foremost interested in developing public trust of the City of Troy as well as our firm's reputation.

Beyond June 30, 2025, Yeo & Yeo provides City of Troy the option for an engagement extension. Upon receiving an extension request, Yeo & Yeo will provide City of Troy an updated engagement letter outlining fees for the extended engagement option.

The bid includes advice and answers to questions regarding accounting procedures and/or content of the audit report throughout the year that are brief in nature and do not require research.

We consider the services to be provided as a fixed fee engagement. As such, we consider overruns to be our responsibility. However, if overruns are a result of our determination that not all information has been provided, the inability of staff to provide us with the necessary information to conduct the audit, delays in the process on your part, or new pronouncements or audit requirements not in effect at the time of the proposed fee, we would discuss these issues with you to consider the need for additional billings. In such a case, any overruns would be discussed with you as soon as discovered and an agreement reached before any additional billings would occur. Any costs incurred as a result of requests by federal overseers would also be absorbed by us unless they were unusual and significant. In such a case, we would discuss them with you and come to an agreement on additional fees prior to undertaking the work. We assure you that you will have no surprises.

In addition, our engagement letter has specific language regarding how rescheduling is handled and our expectations for clients to be prepared when the agreed-upon dates arrive.

## **Total All- Inclusive Annual Fees**

List the **MAXIMUM ESTIMATED HOURS** by professional classification for each of the years below:

<b>Year Ended</b>	<b>Partners</b>	<b>Managers</b>	<b>Supervisory Staff</b>	<b>Staff</b>	<b>Maximum Estimated Hours</b>
<b>2023</b>	20	80	100	220	420**
<b>2024</b>	20	60	90	200	370
<b>2025</b>	20	50	100	200	370
<b>2026 (optional)</b>	20	50	100	200	370
<b>2027 (optional)</b>	20	50	100	200	370

List the **TOTAL ALL-INCLUSIVE MAXIMUM FEE** for each year below:

<b>Year Ended</b>	<b>Audit, ACFR Prep &amp; Reporting</b>	<b>Single Audit</b>
<b>2023</b>	\$70,000	\$6,000*
<b>2024</b>	\$72,500	\$6,300
<b>2025</b>	\$75,000	\$6,600
<b>2026 (optional)</b>	\$77,500	\$6,900
<b>2027 (optional)</b>	\$80,000	\$7,200

\* if applicable

\*\* Hours are presented for informational purposes and may not represent actual hours expended or mix of staff. Hours should not be construed as a minimum or maximum, only an estimate.



## **Legal Status of Bidder:**

**The Bidder shall fill out the appropriate form and strike out the other two:**

\_\_\_\_\_

A **corporation** duly organized and doing business under the laws of the State of Michigan  
for whom Alan D. Panter, bearing the office title of Principal  
\_\_\_\_\_, whose signature is affixed to this proposal, is duly authorized to execute contracts.

\_\_\_\_\_

A **partnership**, all members of which, with addresses, is:

(not applicable)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

\_\_\_\_\_

AN **INDIVIDUAL**, WHOSE SIGNATURE IS AFFIXED TO THE PROPOSAL:

(not applicable)

_____	_____
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**CITY OF TROY  
OAKLAND COUNTY, MICHIGAN  
NON-COLLUSION AFFIDAVIT**

TO WHOM IT MAY CONCERN:

Alan D. Panter, being duly sworn deposed, says that he/she  
(Print Full Name)

is Principal. The party making the foregoing proposal or bid,  
(State Official Capacity in Firm)

that such bid is genuine and not collusion or sham; that said bidder has not colluded, conspired, connived, or agree, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding and has not in any manner directly or indirectly sought by agreement or collusion, or communication or conference, with any person to fix the bid price or affiant or any other bidder, or to fix any overhead, profit, or cost element of said bid price, or that of any other bidder, or to secure the advantage against the City of Troy or any person interested in the proposed contract; and that all statements contained in said proposal or bid are true.

Alan Panter

SIGNATURE OF PERSON SUBMITTING BID

Terra Jo Myers-Lewis  
NOTARY'S SIGNATURE

Subscribed and sworn to before me this 22 day of FEBRUARY, 2023 in and for \_\_\_\_\_  
SAGINAW County.

My commission expires:

10/31/2024

TERRAJO MYERS-LEWIS  
Notary Public, State of Michigan  
County of Saginaw  
My Commission Expires Oct. 31, 2024  
Acting in the County of Saginaw





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## CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

The prospective participant certifies, to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions under any non-procurement programs by any federal, state or local agency.
2. Have not, within the three-year period preceding, had one or more public transactions (federal, state, or local) terminated for cause or default; and
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) and have not, within the three-year period preceding the proposal, been convicted of or had a civil judgment rendered against it:
  - a. For the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction (federal, state, or local), or a procurement contract under such a public transaction;
  - b. For the violation of federal, or state antitrust statutes, including those proscribing price fixing between competitors, the allocation of customers between competitors, or bid rigging; or
  - c. For the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

I understand that a false statement on this certification may be grounds for the rejection of this proposal or the termination of the award. In addition, the general grant of this authority exists within the City's Charter, Chapter 12, Section 12.2- Contracts.

☒ *I am able to certify to the above statements.*

Yeo & Yeo, P.C.


---

Name of Agency/Company/Firm *(Please Print)*

Alan D. Panter, CPA, CGFM / Principal

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Name and title of authorized representative *(Please Print)*

  
Signature of authorized representative

2/22/2023

Date

☐ *I am unable to certify to the above statements. Attached is my explanation.*



**YEO & YEO**

CPAS & ADVISORS

# **City of Troy, Michigan**

February 23, 2023



# Let's thrive.

Yeo & Yeo is a business success partner using the power of listening, perspective, and connected purpose to help our clients, communities, and colleagues thrive. We are grateful for the opportunity to be considered for this initiative, providing guidance on your unique path.

The following pages outline our company, our differences, our proposed relationship, and our commitment to you. If you have any questions, concerns, or clarifications, we're here to help. We appreciate your time and attention.

Thank you.



February 23, 2023

City of Troy  
Emily Frontera, Purchasing Manager  
500 W. Big Beaver Road  
Troy, Michigan 48084

Proposal Submitted via Electronic Mail

Thank you for considering Yeo & Yeo for your auditing needs. We are pleased to provide this proposal for your audit work for the fiscal years ending June 30, 2023, through June 30, 2025 with options to renew for June 30, 2026 and 2027.

Yeo & Yeo is an innovative firm that is among the leading certified public accounting and consulting firms in the country. The following key points highlight our qualifications:

- A commitment to performing quality governmental audit, tax and consulting services. The firm currently provides services for more than 130 governmental audit clients.
- Members of the firm's Government Services Group are active in several associations, foundations, boards and committees.
- With our award-winning audit process, our clients recognize greater efficiency, timely turnaround, and overall ease in the audit.
- A clear position of leadership among regional providers of auditing, accounting, business consulting, employee benefits, technology and tax services.

Yeo & Yeo has the knowledge and experience to furnish the auditing services that you are requesting. We adhere to the highest quality standards and are committed to serving timely and efficiently.

We appreciate the opportunity. Thank you for your consideration.

Sincerely,

Alan D. Panter, CPA, CGFM  
Principal, Yeo & Yeo  
Alan.Panter@yeoandyeo.com



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# We are here. We are ready.

## Independence

Yeo & Yeo is independent of the City of Troy as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

We are not aware of any conflicts of interest related to the City of Troy or any of its agencies or component units for the past five (5) years and have quality control procedures in place to address any items or circumstances that may arise.

## License to Practice in Michigan

Yeo & Yeo is licensed by the State of Michigan, Department of Licensing and Regulations, to practice public accounting in the State of Michigan. All key professional staff assigned are properly licensed to practice in the State of Michigan.

## Debarment, Suspension, Ineligibility, and Voluntary Exclusion

The company or any of its employees is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract.

## Firm Qualifications and Experience

Yeo & Yeo has grown from a family-owned business to being among the Top 200 certified public accounting and consulting firms in the country. Our team of 27 Principals and more than 200 professionals provides comprehensive solutions for individuals, businesses, school districts, units of governments, and not-for-profit entities.

Yeo & Yeo is a full-service firm, providing accounting, auditing, business consulting, and tax services for businesses and organizations throughout Michigan since 1923. With the support of Yeo & Yeo Technology, Yeo & Yeo Wealth Management, and Yeo & Yeo Medical Billing & Consulting, we have created a strong network of professionals available to consult and proactively propose solutions for our clients.

The firm has nine offices throughout Michigan that are easily accessible to our clients with multiple locations. With locations in Alma, Ann Arbor, Auburn Hills, Flint, Kalamazoo, Lansing, Midland, Saginaw, and Southgate, the firm is positioned to provide local, hands-on service. The firm's audit team consists of 52 auditors. We utilize a team approach to staffing audit engagements based on the required skill sets of the team, rather than where the office is physically located. Because of this, we may draw on governmental professionals who are based in any of our offices.

Yeo & Yeo's most recent external peer review was for the period ended August 31, 2019. The pass report is the highest possible mark. The peer review letter follows:



# Peer Review.



## Report on the Firm's System of Quality Control

To the Principals of  
Yeo & Yeo, P.C.  
and the Peer Review Committee of the  
Michigan Association of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Yeo & Yeo, P.C. (the "Firm") in effect for the year ended August 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and audits of employee benefit plans.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

— Your Success is Our Focus —

319 McClanahan Street, S.W. • Roanoke, Virginia 24014-7705 • 540-345-0936 • Fax: 540-342-6181 • [www.BEcpas.com](http://www.BEcpas.com)



**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Yeo & Yeo, P.C., in effect for the year ended August 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Yeo & Yeo, P.C. has received a peer review rating of *pass*.

*Brown, Edwards & Company, S. S. P.*

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia  
January 13, 2020

Yeo & Yeo has no issues with any federal or state desk reviews or field reviews of its audits during the past three years.

Yeo & Yeo has not had any disciplinary action taken or pending during the past three years with state regulatory bodies or professional organizations.





## Government

# Accountability. Transparency. Possibility.

## Governmental Audit Quality Center (GAQC) Member

Yeo & Yeo is a member of the AICPA's Governmental Audit Quality Center (GAQC) committed to adhering to the highest standards in performing quality government audits. As a benefit of GAQC membership, our audit professionals have access to the latest notices and advice regarding audit, accounting and regulatory issues. In turn, Yeo & Yeo will keep you informed of important issues and best practices.

## GFOA Certificate of Achievement for Excellence in Financial Reporting Experience

Yeo & Yeo supports the Certificate of Achievement for Excellence in Financial Reporting Program (Annual Comprehensive Financial Report program) with audit team members currently active in the certification review process, including Yeo & Yeo's Government Services Group Leader, Jamie Rivette, who serves on the Special Review Committee. The following clients have earned their Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

- Cass County
- City of Alma
- City of Bay City
- City of Farmington Hills
- City of Fenton
- City of Midland
- City of Portage
- City of Rochester Hills
- City of Saginaw
- City of St. Clair Shores

## Actively Involved

Our audit professionals and members of Yeo & Yeo's Government Services group are actively involved in industry associations that keeps us on the forefront of industry and regulatory issues and also allows us to share our expertise as frequent presenters and trainers.

- Government Finance Officers Association
  - GFOA Certificate of Achievement for Excellence in Financial Reporting Program Special Review Committee member
- Michigan Certified Public Accountants Government Task Force
- Michigan Municipal League
- Michigan Townships Association
- State of Michigan Advisory Committee for Implementation of Uniform Chart of Accounts
- Michigan Government Finance Officers Association
  - Board of Directors
  - Accounting and Auditing Standards Committee
  - Legislative Committee
  - Membership and Mentoring Committee



# Helping our clients thrive. At Yeo & Yeo, it is why we exist

We are different from others because of our unwavering commitment to our relationships, our above and beyond spirit, and our unique approach to listening, responding, and creating stories of success for our clients, our community, and for one another.

We are hundreds of dedicated professionals helping clients across diverse industries throughout our beautiful state. Our reach and expertise are global, yet we are known for our localized, personalized, customized approach, recognizing that no two stories are alike. And thriving looks different to all.

Our four companies and wide variety of best-in class services allow us to bring agility and right-sized partnership to our clients.

- Audit & Assurance
- Business Consulting
- Business Valuation & Litigation Support
- Employee Benefit Plans
- Fraud Investigation & Forensic Accounting
- Medical Billing & Consulting
- Payroll
- Tax
- Technology
- Outsourced Accounting
- Wealth Management
- Whatever is next

We are more than just what we do. We are the sum of our clients' success. We are Business Success Partners. This is reflected in our brand, our promise, and in every action we take.

**Let's thrive.**





## 4 Companies

providing right-sized relationships, knowledge, and focus.

## YEO & YEO

CPAS & ADVISORS

## YEO & YEO

MEDICAL BILLING & CONSULTING

## YEO & YEO

TECHNOLOGY

## YEO & YEO

WEALTH MANAGEMENT

## Founded in 1923

for a century+ of perspective and service.

## Offices across Michigan

to help you exactly where you are.

## 29 Principals & Presidents

offering unmatched expertise and proven commitment across the state.

## 200+ Team Members

service and industry specialized professionals dedicated to your needs.

## Reach Beyond Michigan

through our extended network.



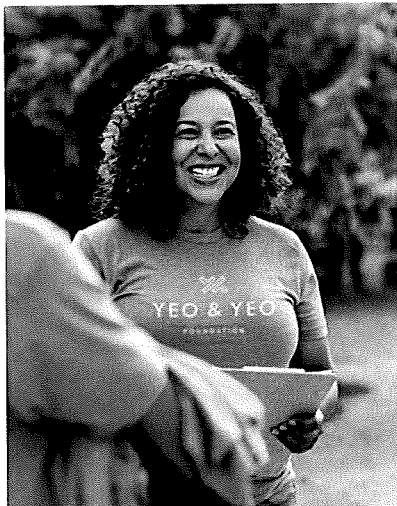
ProNexus



PrimeGlobal

## 96%

of our people say they are proud to work for Yeo & Yeo.



## Giving Back

to our communities and those in need through the Yeo & Yeo Foundation.

176 Organizations

received a donation

\$344,858

total awarded donations

\$401,915

contributions from Yeo & Yeo employees, leaders, and firm revenue

## Awards

recognizing our level of commitment and success.



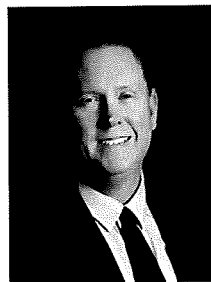
CRAIN'S DETROIT BUSINESS



# **Personal. Approachable. Knowledgeable. Meet your engagement team.**

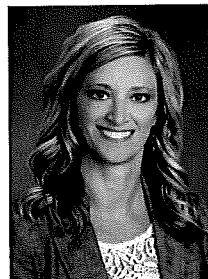
## **Partner, Supervisory and Staff Qualifications and Experience**

Your project will be staffed with individuals who collectively possess the necessary skills in financial management, accounting and auditing, technology, internal controls, and compliance with laws and regulations, together with knowledge of governmental regulatory requirements. The following individuals will be assigned to your audit team.



**Alan Panter**

**CPA, CGFM | Principal  
Principal in Charge**



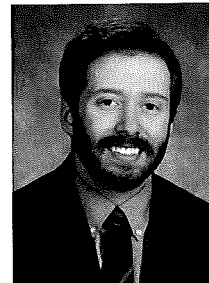
**Jamie Rivette**

**CPA, CGFM | Principal  
Concurring Reviewer**



**Christina LaVielle**

**Supervisor**



**Kellen Riker**

**CPA | Senior Accountant**



# The government audit team. Here to help.

Beyond the core team, you'll have access to our full Government Audit team of experts. We'd love for you to get to know them. Use the link below or scan the QR code to see our team video.

[yeoandyeo.com/government-services-engagement-team](https://yeoandyeo.com/government-services-engagement-team)





# Meet your team.

## Alan D. Panter

### CPA, CGFM

### Principal.



#### Education

Bachelor of Arts in Accounting from Michigan State University

#### Professional Certifications

Certified Public Accountant (CPA)  
Certified Government Financial Manager (CGFM)

#### Professional Memberships

American Institute of Certified Public Accountants  
Michigan Association of Certified Public Accountants  
AICPA Employee Benefit Plan Audit Quality Center  
Government Finance Officers Association  
Michigan Government Finance Officers Association  
Michigan School Business Officials  
Detroit Economic Club

#### Specialty Areas

Audit and consulting for state and local government entities, education, and nonprofit organizations  
Employee Benefit Plan Audits  
Internal controls and procedures analysis  
Single Audits under 2 CFR 200

#### Experience

Yeo & Yeo (2017 to present)  
Abraham & Gaffney (2003-2017)  
New World Systems (1997-2002)  
Panter Master Controls (1995-1997)  
KPMG, LLP (1993-1995)  
Ernst & Young, LLP (1992-1993)  
Yeo & Yeo, PC (1989-1992)

#### Community Service

Knights of Columbus Council #15967 – Treasurer  
Clarkston-Independence District Library – Board Trustee

#### Presentation/Presenter

Ye & Yeo Internal Training  
Yeo & Yeo Government Client Training  
Michigan Government Finance Officers Association  
Central Michigan School Business Officials  
Library of Michigan  
Michigan Library Association  
Michigan Municipal Treasurer's Association  
Macomb-St. Clair School Business Officials

#### Training

MSBO – Business Manager / CPA workshop  
MSBO – Annual Conference & Exhibit Show  
MICPA – Governmental Accounting & Auditing Conference  
GFOA – Annual Conference  
AICPA – Employee Benefit Plans Conference  
MICPA – EBPAQC Designated Partner Audit Planning  
MICPA – Michigan School District Update  
MICPA – Audits of Employee Benefit Plans  
Employee Benefit Plan Training  
Accounting Updates  
MGFOA – Annual Conference

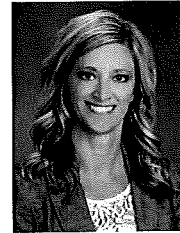




# Jamie L. Rivette

## CPA, CGFM

### Principal.



#### Education

BBA Bachelor Business Administration – Northwood University

#### Professional Certifications

Certified Public Accountant (CPA)  
Certified Government Financial Manager (CGFM)

#### Professional Memberships

American Institute of Certified Public Accountants (AICPA)  
Michigan Association of Certified Public Accountants (MICPA)  
Michigan Government Finance Officers Association (MGFOA)  
Michigan Association of School Boards (MASB)  
Michigan Municipal Executives (MME)  
Michigan Municipal League (MML)

#### Government

GFOA Certificate of Achievement for Excellence in Financial Reporting Program Special Review Committee  
Michigan Government Finance Officers Association Accounting & Auditing Standards Committee  
Michigan Government Finance Officers Association Past Board Member

#### Specialty Areas

Municipalities  
Audits under *Government Auditing Standards*  
Single Audits under 2 CFR 200

#### Experience

Yeo & Yeo (1999 to present)  
Principal  
Assurance Service Line Leader  
Firm Government Team Leader



#### Community Service

Hemlock School Board of Education, Treasurer  
Junior League Community Advisory Board  
Hemlock Middle School – Volunteer Cross Country Coach

#### Presentation/Presenter

Fraud and Prevention in Local Governments  
MICPA – “Basic Governmental Auditing”  
Michigan Township Association – “GASB Update”  
MICPA – “Is Your Audit Paperwork up to Snuff?”  
MICPA – “Fraud Risks and Why Internal Controls are Important”  
MME & MGFOA – “Preparing for a Headache Free Audit”  
MICPA – “First Pensions, Now OPEB: What You Need to Know About GASB 74 & 75”  
GASB 84 If you Report Fiduciary Funds, Expect Some Changes  
The Case for Internal Controls – Reducing Fraud in Government Entities is Easier Than You May Think  
MGFOA Spring Conference – “How to Prepare for a Headache Free Audit”  
MGFOA Fall Conference – “Enterprise Fund Accounting”  
Are Your Security Systems and Employees Prepared to Fight Off Potential Hackers?  
Overcoming the Challenges of Remote Auditing During the COVID-19 Crisis  
Analytical Procedures Can Help Make Your Audit More Efficient

#### Training

Michigan Township Auditors Institute  
Michigan Government Finance Officers Association Annual Conference  
Government Audit Quality Control Annual Update  
Governmental Accounting & Auditing Update  
Super Circular – Federal Grants  
GASB 68 Implementation  
GASB 75 OPEB Implementation: Accounting and Auditing Considerations  
State & Local Government Audit Planning Considerations  
Michigan Municipal Executives Annual Conference



# Christina LaVielle Supervisor.



## Education

Bachelor of Science in Professional Accountancy  
from Central Michigan University (2013)

## Professional Memberships

Michigan Government Finance Officers Association

## Specialty Areas

Audits of municipalities  
Audits of local school districts  
Single audits under Uniform Grant Guidance  
Audits under *Government Auditing Standards*

## Experience

Yeo & Yeo (2014 to present)  
Supervisor  
Member of Firm Government Service Team  
Member of Firm Audit Team  
Senior Accountant  
Staff Accountant

## Community Service

Auburn Hills Chamber of Commerce Member  
Auburn Hills Chamber of Commerce Golf Committee  
Member

## Presentation/Presenter

Choosing the Right Auditor for your Government  
Entity  
Beware of These 3 Common Types of Unlawful  
Expenditures  
Common Capital Asset Reporting Issues  
Encountered by Municipalities

## Training

Michigan Government Finance Officers Association  
Conference  
School updates  
Single Audit updates  
IDEA Training  
Nonprofit training  
BS&A training

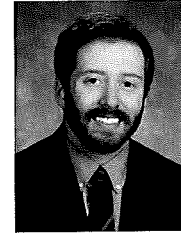




# Kellen J. Riker

## CPA

## Senior Accountant.



### Education

Master of Business Administration in Finance from  
University of Michigan – Flint (2018)  
Bachelor of Arts in Accounting from University of  
Michigan – Flint (2016)

### Professional Certifications

Certified Public Accountant (CPA)

### Professional Memberships

American Institute of Certified Public Accountants  
(AICPA)  
Michigan Association of Certified Public Accountants  
(MICPA)  
Michigan Government Finance Officers Association  
(MGFOA)

### Experience

Yeo & Yeo (2018 to present)  
Senior Accountant  
Yeo & Yeo Young Professionals President  
Yeo & Yeo Flint Foundation Chairperson  
Member of Firm Government Team  
Staff Accountant

### Specialty Areas

Audits of for-profit businesses  
Audits of local school districts  
Audits of non-profit organizations  
Audits of governments

### Acknowledgments

40 Under 40 Honoree 2022 – Flint and Genesee Group

### Training

Audit Level 3  
School Updates  
Single Audit  
Non-profit updates  
Accounting Level 3



# An audit process with you in mind.

YeoLean is a reimagined, Lean Six Sigma-based audit process, providing greater efficiency and overall ease in the audit engagement. Our professionals come on-site with a purpose of maximizing our immersion while minimizing your time.

Experience quicker turnaround time, thorough communication, and a structured workflow for maximum efficiency. Our award-winning process is more than applying concepts to improve processes, but rather a cultural change of focusing on audit value and continuous improvement. The audit will be performed in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.



## Pre-Planning

Pre-planning will assist in determining the information to be gathered during the audit process. Pre-planning includes a meeting with management and the audit committee to determine the logistics of the audit.



## Planning

Proper planning assists us in developing an audit plan that focuses on key areas and issues. The planning phase of the audit will include the following to be used in risk assessment:

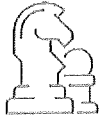
- Gathering information about the organization and environment
- Reviewing prior year audit results
- Identifying unusual and unexpected financial trends
- Obtaining an understanding of internal controls at both the entity and activity level
- Walking through significant transaction classes
- Consider management override of controls



## Risk Assessment

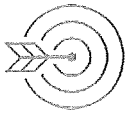
This phase of the audit will include assessing the risk of material misstatement of the financial statements:

- Identifying significant audit areas
- Identifying significant and fraud risks using information gathered during the planning process
- Discussions with employees, management, and the Board
- Assessing risk by audit assertion (existence/occurrence, rights, and obligations, completeness, valuation, allocation, and cutoff) for account balances
- Utilization of data extraction software



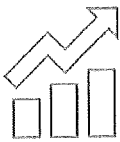
### Audit Plan

The audit plan will be developed to cover the significant audit areas and the risks identified during the risk assessment process. This is the core of the audit and ensures the audit is tailored to your specific needs. This is not a one-size-fits-all audit.



### Single Audit

Evaluation and testing of internal controls and compliance of federal awards will be performed in accordance with the 2 CFR 200 compliance supplement and Government Auditing Standards issued by the Comptroller General of the United States. We provide specific testing and risk assessment for each major program based on the fourteen compliance areas.



### Reporting

We will prepare the financial statements and disclosures from the trial balance and information that you provide to us.

The following reports will be provided:

- Opinions on the financial statements in accordance with generally accepted auditing standards.
- Internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
- Compliance with requirements applicable to each major program and on internal control over compliance in accordance with 2 CFR 200.

We will report to those in charge of governance in accordance with professional standards. Management comments will be prepared to provide management with the opportunity to strengthen internal controls and operating efficiency.

The financial statements and communication letter will be reviewed with management before they are finalized to ensure that information has been appropriately interpreted and recommendations are practical.



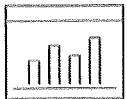
# Suralink: Next-level documentation.

Suralink is a web-based communication platform that adds transparency and efficiency to your audit. The platform provides a secure file transfer portal, dynamic request list, and real-time workflow updates. Suralink keeps all requests in the same place, making it easier to complete your engagement.



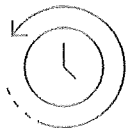
## Delegate, Assign, and Filter Requests

- Delegate requests to specific team members and filter requests by status or owner
- The status of each request is indicated by a color and automatically changes with progress



## Central Dashboard with Real-Time Progress Updates

- Easily view the percentage of progress of requests and engagements
- See the real-time status overview of each request in a quick view bar
- Each request holds files, comments, assignments, and an activity log
- Set preferences to receive notifications of activity relating to your engagement



## Improve Efficiency

- Spend your time getting the job done, not reconciling a messy list of outstanding items
- Download all files in a section, edit a group of requests, communicate with your team, or drag and drop multiple files at the same time—all with just a few clicks



## Protect Your Sensitive Information

- Integrate your current two-factor authentication provider or start using Google at no cost
- Protect sensitive information with inactivity time-out and SSL AES 256-bit encryption



# Rich, timely resources. A relationship built on success.

Yeo & Yeo keeps you informed about important issues affecting your organization and provides the training and resources you need to achieve excellence. These are communicated to our clients through client training, webinars, newsletters, blog, email alerts, and social channels.



## eNewsletters

- Up-to-date information
- Expert analysis
- Delivered to your inbox



## Audit Resource Center

- On our website
- Tips + tools
- An extension of our people



## Client Training + Webinars

- Key topics
- Client empowerment + education
- A forum for compliance



## eAlerts

- Urgent information
- Changes, deadlines, need-to-know information
- Instant notifications



## Blog

- Deep insight
- Timely perspectives
- Fresh analysis from thought leaders





## Schedule.

Upon Notification of the Award

Contact with Management  
Planning Meeting

May or June

Preliminary Field Work

September

Field Work  
Exit Conference with Management

November

Financial Statements  
Single Audit Report  
Management Letter

December

Presentation



# Our greatest reward? Helping our clients thrive.

*"The City of St. Clair Shores had used the same audit firm for over 30 years. The possibility of changing firms and adjusting to new personnel and procedures that could result in a significant increase in staff time was a major concern. So much so that it was discussed during the interview process with each firm that was shortlisted. Representatives from Yeo & Yeo reassured us throughout the process that their methodology, even during the first year, would not result in a significant increase of staff time. This was confirmed through reference checks with other organizations in a similar situation. Our experience was consistent with what we were told during the interview process. Yeo & Yeo met or exceeded our expectations in all respects when it came to their transition plan."*

**St. Clair Shores, Michigan**

*"For a first-year audit, ours went very smoothly. All Yeo & Yeo staff assigned to the audit were professional and pleasant. We have enjoyed the friendly and prompt response to all of our questions prior to, during, and after the audit."*

**City of Portage, Michigan**

*"The City of Farmington Hills moved from a long-standing relationship with an excellent track record to Yeo & Yeo, several years ago, and Yeo & Yeo has also provided excellent results with a smooth process and effective/timely communication with City staff. They are a pleasure to work with, and I highly recommend Yeo & Yeo."*

**City of Farmington Hills, Michigan**

*"The City of Rochester Hills is entering its third year of working with Yeo & Yeo, and we are very happy with the level of service and professionalism that Yeo & Yeo provides. The overall Audit process has gone very smoothly each year, including the first Audit transition year to Yeo & Yeo which was a pleasant and welcome surprise. The City has also received grant value from Yeo & Yeo during the times that they are not actively engaged in the City's Audit by communicating on developing issues, always being attentive and responsive to questions that may come up through the year, and providing sound guidance. Yeo & Yeo has quickly become a valued partner to the City of Rochester Hills."*

**City of Rochester Hills, Michigan**



# Deep experience in your industry. A unique approach to your situation.

Yeo & Yeo brings a depth of experience in your industry. This helps us understand the terminology, the challenges, the processes, the trends, and the potential risks. With this foundation, we create a plan based on the exacting needs of your organization. Knowledge and insight meet personalization and possibilities: a perfect combination.

We have worked with the following organizations and encourage you to reach out to them to help better experience the Yeo & Yeo difference.

**City of Rochester Hills**

Joe Snyder, Financial Officer

[snyderj@rochesterhills.org](mailto:snyderj@rochesterhills.org)

248.656.4630

1000 Rochester Hills Drive, Rochester Hills, MI 48309

Scope of work: Annual Comprehensive Financial Report and Single Audit

Length of Service: 4 years

**City of St. Clair Shores**

Laura Stowell, Finance Director

[stowelll@scsmi.net](mailto:stowelll@scsmi.net)

586.447.3325

27600 Jefferson Circle Drive, St. Clair Shores, MI 48981

Scope of work: Annual Comprehensive Financial Report and Single Audit

Length of Service: 6 years

**City of Saginaw**

Tim Morales, City Manager

[citymanager@saginaw-mi.com](mailto:citymanager@saginaw-mi.com)

989.759.1654

1315 S. Washington Avenue, Saginaw, MI 48601

Scope of work short: Annual Comprehensive Financial Report and Single Audit

Length of Service: 10 years

**City of Farmington Hills**

Thomas Skrobola, Finance Director/Treasurer

[tskrobola@fhgov.com](mailto:tskrobola@fhgov.com)

248.871.2446

31555 Eleven Mile Road, Farmington Hills, MI 48336

Scope of work: Annual Comprehensive Financial Report and Single Audit

Length of Service: 3 years





# Identification of anticipated potential audit problems.

This identifies and describes any anticipated potential audit problems, the firm's approach to resolving these problems/issues and any special assistance that will be requested from the City of Troy.

## Information Not Ready

We will have open communication during the audit to help prevent this but will schedule the audit as planned and we can be flexible with the timing. We will also contact management as soon as any issues arise. Our engagement letters contain specific language regarding how rescheduling is handled and our expectations for clients to be prepared for the audit.

## Additional Charges for Services

Should additional services/assistance be necessary, we will discuss with management and get approval prior to charging for any additional services.

## Uncooperative Employees

We will discuss this issue with the appropriate level of management.

## Report Format

Website for examples/reports of our past financial statements: [www.michigan.gov/treasury](http://www.michigan.gov/treasury)

## Surprises

Management will receive draft reports of any comments, recommendations, or findings to make sure facts are correct and corrective action is appropriate.

## Timeline

If our timeline for the presentation is ever in jeopardy, we will communicate this to the appropriate level of management immediately.

## Staffing/Personality Issues

We ask that if you encounter any issues with our staff, whether it be a new staff member, a manager, or a partner, that you contact the appropriate level of management so that we can make a decision that will benefit the City of Troy.

# **Thank you for considering Yeo & Yeo. We would love to help.**

We appreciate the opportunity to present this proposal and are committed to helping you achieve your goals. This is more than just a project for us; it's an opportunity to create an important relationship built on success.

Yeo & Yeo's Government Services was created for this exact purpose, and we look forward to the selection process.

If you have any questions or concerns, or need clarifications, do not hesitate to contact me, Alan Panter, Principal at 248.239.0900, with any questions or comments you may have.

**Let's thrive. Together.**

Alan D. Panter, CPA, CGFM  
Principal, Yeo & Yeo  
[Alan.Panter@yeoandyeo.com](mailto:Alan.Panter@yeoandyeo.com)



**Proposer's Sworn and Notarized Familial Disclosure**  
*(to be provided by the Proposer)*

The undersigned, the owner or authorized officer of Yeo & Yeo, P.C. (the "Proposer"), pursuant to the familial disclosure requirement provided in the Request for Proposal, hereby represent and warrant, except as provided below, that no familial relationships exist between the owner(s) or any employees of Yeo & Yeo, P.C. and any member of the City of Troy City Council or City of Troy management.

**List any Familial Relationships:**

None

**BIDDER:** Yeo & Yeo, P.C.

By: Alan D. Panter

Its: Principal

STATE OF MICHIGAN

)ss.

COUNTY OF Oakland

TERRAJO MYERS-LEWIS  
Notary Public, State of Michigan  
County of Saginaw  
My Commission Expires Oct. 31, 2024  
Acting in the County of SAGINAW

This instrument was acknowledged before me on the 22nd day of February, 2023, by

Terra Jo Myers-Lewis



**VENDOR CERTIFICATION  
THAT IT IS NOT AN  
"IRAN LINKED BUSINESS"**

Pursuant to Michigan law, (the Iran Economic Sanctions Act, 2012 PA 517, MCL 129.311 et seq.), before accepting any bid or proposal, or entering into any contract for goods or services with any prospective Vendor, the Vendor must first certify that it is not an "IRAN LINKED BUSINESS", as defined by law.

Vendor	
Legal Name	Yeo & Yeo, P.C.
Street Address	691 N. Squirrel Road, Suite 100
City	Auburn Hills
State, Zip	Michigan 48326
Corporate I.D. Number/State	
Taxpayer I.D. #	38-2706146

The undersigned, with: 1.)full knowledge of all of Vendors business activities, 2.)full knowledge of the requirements and possible penalties under the law MCL 129.311 et seq. and 3.) the full and complete authority to make this certification on behalf of the Vendor, by his/her signature below, certifies that: the Vendor is NOT an "IRAN LINKED BUSINESS" as require by MCL 129.311 et seq., and as such that Vendor is legally eligible to submit a bid and be considered for a possible contract to supply goods and/or services to the City of Troy.

Signature of Vendor's Authorized Agent: Alan Panter

Printed Name of Vendor's Authorized Agent: Alan D. Panter

Witness Signature: Terra Myers-Lewis

Printed Name of Witness: Terra Myers-Lewis



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: March 14, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Rob Maleszyk, Chief Financial Officer  
Dee Ann Irby, Controller  
Kyle Vieth, Financial Compliance Manager  
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 8 – Best Value Award - Audit Services

### History

On April 18, 2005, Troy City Council approved and awarded a contract to The Rehmann Group to perform Audit Services for the City of Troy for a three-year term with an option to renew for three additional years. (Resolution #2005-04-182). Since that time, the contract has been unanimously extended by City Council through 2022 and The Rehmann Group has been providing independent audit services to the City since 2005. Under the guidance of financial leadership and the addition of new grant funding, it has been determined that it is in the best interest of the City to issue a Request for Proposal for Audit Services.

### Purchasing

- January 30, 2023 a Request for Proposal was issued and posted on Bidnet Direct/MITN website; [www.bidnetdirect.com/city-of-troy-mi](http://www.bidnetdirect.com/city-of-troy-mi).
- February 23, 2023 a bid opening was conducted and Proposals were received as required by City Charter and Code for Financial Audit Services. The names only of firms submitting a proposal were publicly read aloud. Below is a summary of potential firms.

Companies notified via MITN	239
Troy Companies notified via MITN	7
Troy Companies - Active email Notification	7
Troy Companies - Active Free	0
Companies that viewed the bid	16
Troy Companies that viewed the bid	1

***MITN** provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.*

**Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

**Active MITN non-paying members** are responsible to monitor and check the MITN website for opportunities to do business with the City.

**Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.

- Four (4) Proposal responses were received:
  - Clark Schaefer Hackett East Lansing, MI
  - Plante Moran Detroit, MI
  - Rehman Robson LLC Troy, MI
  - Yeo & Yeo, P.C. Auburn Hills, MI



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

- Qualifying conditions of the Audit firms was:
  - Qualifications and Experience of Firm & Personnel
  - Technical Qualifications
  - Financial Strength and Capacity of Firm
  - Correlation of proposal to meet the needs to the City
  - Work Plan and Project Approach
  - Positive references specifically relating to local government Audit Services
  - Cost
- Scoring criteria was as follows:

Scoring and Selection	Points
Proposal Score	45%
Price Score	25%
Interview Score	30%
<b>TOTAL POINTS</b>	<b>100%</b>

- Three (3) Committee Members reviewed and evaluated the proposals. The Committee Members were as follows:
  - Rob Maleszyk, Chief Financial Officer
  - Dee Ann Irby, Controller
  - Kyle Vieth, Financial Compliance Manager
- Based on the Firms' qualifying conditions and scores for proposal and price; the top three (3) Companies were interviewed by the Selection Committee on Tuesday, March 7, 2023:
  - Plante & Moran, PLLC
  - Rehmann Robson, LLC
  - Yeo & Yeo, P.C.
- The best value approach leading to the award recommendation is based upon the vendor offering the best combination of factors. The Selection Committee independently evaluated proposals using a weighted criterion, scripted interview questions and pricing. After completing the evaluation process Yeo & Yeo, P.C. received the highest weighted score rating. Accordingly, it is the recommendation of the Committee to award the audit services contract to Yeo & Yeo, P.C.
- Yeo & Yeo was founded in 1923 and currently has 29 Principals, 200 plus Team Members and offices across Michigan.
- Yeo & Yeo has a dedicated governmental team separate from schools and is able to meet the City's required timeline.
- Yeo & Yeo bases the audit process on a Lean Six Sigma method providing a structured workflow for greater efficiency. The Lean Six Sigma process provides added value by improving the City's processes and applying concepts for continuous improvements after the audit engagement.
- Yeo & Yeo ensures a smooth transition by effectively communicating with the City, providing staff for pre-audit/interim work in May and June, and having a proven track record with several peer communities.
- Yeo & Yeo received positive references.





500 West Big Beaver  
Troy, MI 48084  
troyml.gov

## **CITY COUNCIL AGENDA ITEM**

### **Recommendation**

City Management recommends awarding a three (3) year contract with an option to renew for two additional years to provide financial audit services for the fiscal years ending June 30, 2023, 2024 and 2025 to *Yeo & Yeo of Auburn Hills, MI*, the highest overall scoring firm as a result of a best value process, at prices contained in the attached bid tabulation and respective fee schedule.

CITY OF TROY  
TABULATION  
FINANCIAL AUDIT SERVICES

VENDOR NAME:		Clark Schaefer Hackett					Plante Moran				
CITY:		East Lansing, MI					Detroit, MI				
<b>PROPOSAL: FINANCIAL AUDIT SERVICES</b>											
<b>PROPOSAL PRICING: TOTAL ALL-INCLUSIVE ANNUAL FEES</b>											
<b>MAXIMUM ESTIMATED HOURS</b>		<b>YEAR ENDED</b>									
		<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026 (Optional)</b>	<b>2027 (Optional)</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026 (Optional)</b>	<b>2027 (Optional)</b>
Partners		40	40	40	40	40	75	55	55	55	55
Managers		80	80	80	80	80	125	95	95	95	95
Supervisory Staff		80	80	80	80	80	210	175	175	175	175
Staff		200	200	200	200	200	415	350	350	350	350
<b>MAXIMUM ESTIMATED HOURS:</b>		<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>825</b>	<b>675</b>	<b>675</b>	<b>675</b>	<b>675</b>
<b>ALL-INCLUSIVE MAXIMUM FEES</b>		<b>Audit, ACFR Prep &amp; Reporting</b>		<b>Single Audit</b>		<b>Audit, ACFR Prep &amp; Reporting</b>		<b>Single Audit</b>			
		YEAR ENDED: 2023		\$65,000		\$6,000		\$119,000		\$15,000	
		2024		\$68,250		\$6,500		\$123,000		\$15,500	
		2025		\$71,750		\$7,000		\$127,500		\$16,000	
		<b>TOTALS:</b>		<b>\$205,000</b>		<b>\$19,500</b>		<b>\$369,500</b>		<b>\$46,500</b>	
<b>TOTAL ALL-INCLUSIVE MAXIMUM FEES:</b>		<b>\$224,500</b>					<b>\$416,000</b>				
<b>Optional Additional Years:</b>											
YEAR ENDED: 2026		\$75,500		\$7,500		\$132,000		\$16,600			
2027		\$79,250		\$8,000		\$137,000		\$17,200			
<b>TOTAL ADDITIONAL YEARS:</b>		<b>\$170,250</b>					<b>\$302,800</b>				
<b>REQUEST FOR PROPOSAL CONTENT:</b>							<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>
							\$10,000*	\$10,350*	\$10,700*	\$11,100*	\$11,500*
							* Amount specified is for each add'l program				
A. Cover Sheet	Y or N	Y					Y				
B. Table of Content	Y or N	Y					Y				
C. Organization Information	Y or N	Y					Y				
D. Qualifications and Experience	Y or N	Y					Y				
E. Work Plan	Y or N	Y					Y				
F. Project Approach	Y or N	Y					Y				
G. References	Y or N	Y					Y				
INSURANCE CAN BE MET:	Y or N	Y					Y				
INDEMNIFICATION FORM:	Y or N	Y					Y				
PAYMENT TERMS:	Y or N	Progress billed					Progress payments on basis of work completed				
EXCEPTIONS:	Y or N	None					None				
ACKNOWLEDGEMENT:	Y or N	Y					Y				
REQUEST FOR PROPOSAL PRICING:	Y or N	Y					Y				
FORMS:	Y or N	Y					Y				

Rob Maleszyk  
Dee Ann Irby  
Kyle Vieth  
Andrew Chambliss  
Jodi Kolakowski

Emily Frontera  
Purchasing Manager



CITY OF TROY  
TABULATION  
FINANCIAL AUDIT SERVICES

RFP-COT 23-05  
Pg 2 of 2

VENDOR NAME:	Rehmann Robson LLC	Yeo & Yeo CPAs & Advisors
CITY:	Troy, MI	Auburn Hills, MI

MAXIMUM ESTIMATED HOURS	YEAR ENDED									
	2023	2024	2025	2026 (Optional)	2027 (Optional)	2023	2024	2025	2026 (Optional)	2027 (Optional)
Partners	40	40	40	40	40	20	20	20	20	20
Managers	110	110	110	110	110	80	60	50	50	50
Supervisory Staff	80	80	80	80	80	100	90	100	100	100
Staff	180	180	180	180	180	220	200	200	200	200
<b>MAXIMUM ESTIMATED HOURS:</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>410</b>	<b>420</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>

ALL-INCLUSIVE MAXIMUM FEES	Audit, ACFR Prep & Reporting	Single Audit	Audit, ACFR Prep & Reporting	Single Audit
YEAR ENDED: 2023	\$69,000	\$7,000	\$70,000	\$6,000
2024	\$72,500	\$7,400	\$72,500	\$6,300
2025	\$76,100	\$7,800	\$75,000	\$6,600
<b>TOTALS:</b>	<b>\$217,600</b>	<b>\$22,200</b>	<b>\$217,500</b>	<b>\$18,900</b>
<b>TOTAL ALL-INCLUSIVE MAXIMUM FEES:</b>	<b>\$239,800</b>		<b>\$236,400</b>	

Optional Additional Years:	2026	2027	2026	2027
YEAR ENDED: 2026	\$69,000	\$7,000	\$77,500	\$6,900
2027	\$72,500	\$7,400	\$80,000	\$7,200
<b>TOTAL ADDITIONAL YEARS:</b>	<b>\$155,900</b>		<b>\$171,600</b>	

REQUEST FOR PROPOSAL CONTENT:	2023	2024	2025	
A. Cover Sheet	Y or N			Y
B. Table of Content	Y or N			Y
C. Organization Information	Y or N			Y
D. Qualifications and Experience	Y or N			Y
E. Work Plan	Y or N			Y
F. Project Approach	Y or N			Y
G. References	Y or N			Y
INSURANCE CAN BE MET:	Y or N			Not Specified
INDEMNIFICATION FORM:	Y or N			N
PAYMENT TERMS:	Y or N			Not Specified
EXCEPTIONS:	Y or N			None
ACKNOWLEDGEMENT:	Y or N			Y
REQUEST FOR PROPOSAL PRICING:	Y or N			Y
FORMS:	Y or N			Y



March 14, 2023

Emily Frontera, Purchasing Manager  
City of Troy  
500 West Big Beaver Road  
Troy, MI 48084

Dear Ms. Frontera:

Last week the City of Troy interviewed the audit team from Yeo & Yeo pursuant to the City's RFP for financial auditing services dated January 30, 2023. We were pleased to be invited to interview with the City and we thought it went well. During this interview, we were asked to provide pricing for additional services that the City may request.

Additional services are typically priced based on standard hourly rates for the number of hours anticipated on a given project. Hourly rates vary by experience level and typically increase 3-5% each year. Following is our rate schedule for 2023:

Principal - \$443/hr  
Supervisor - \$366/hr  
Manager - \$294/hr  
Senior - \$216/hr  
Staff - \$170/hr

Again, thank you for the opportunity and should you have any questions feel free to contact me at your convenience.

Sincerely,

*Alan Panter*

Alan Panter, CPA, CGFM  
Principal

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/23/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Saginaw Bay Underwriters 1258 S. Washington P.O. Box 1928 Saginaw, MI 48605	CONTACT NAME:	
	PHONE (A/C, No, Ext): 989 752-8600	FAX (A/C, No):
INSURED Yeo & Yeo, P.C. 5300 Bay Road, Suite 100 Saginaw, MI 48604	E-MAIL ADDRESS:	
	PRODUCER CUSTOMER ID #:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A : Cincinnati Insurance Co.	
	INSURER B : Accident Fund Insurance Co.	
INSURER C : Navigators Insurance Co.		
INSURER D : Palomar Excess & Surplus Insurance Co.		
INSURER E :		
INSURER F :		

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.


INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X		ECP0354160	11/01/2021	11/01/2024	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X		ECP0354160	11/01/2021	11/01/2024	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$			ECP0354160	11/01/2021	11/01/2024	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	AFWCP100068751	11/01/2022	11/01/2023	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
C	Prof Liability			CE20APL0BBZ46IV	11/01/2022	11/01/2023	\$5,000,000
D	CL Cyber Lia			PLMCBSA2F5UH4P	11/01/2022	11/01/2023	\$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City of Troy including all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and council members, including employees and volunteers thereof are (See Attached Descriptions)

## CERTIFICATE HOLDER

## CANCELLATION

City of Troy 500 W Big Beaver Rd Troy, MI 48084	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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## DESCRIPTIONS (Continued from Page 1)

Additional Insured with respects to the General Liability and Auto Liability on a primary and non contributory basis. 30 day notice of cancellation (10 day notice for nonpayment of premium) applies. (3/23)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTRACTORS ADDITIONAL INSURED - AUTOMATIC STATUS  
AND AUTOMATIC WAIVER OF SUBROGATION  
WHEN REQUIRED IN WRITTEN CONTRACT, AGREEMENT,  
PERMIT OR AUTHORIZATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Additional Insured - Owners, Lessees Or  
Contractors - Automatic Status For Other  
Parties When Required In Written Contract  
Or Agreement With You**

1. **Section II - Who Is An Insured** is amended to include as an additional insured any person or organization you have agreed in writing in a contract or agreement to add as an additional insured on this Coverage Part. Such person(s) or organization(s) is an additional insured only with respect to liability for:

a. "Bodily injury", "property damage" or "personal and advertising injury" *caused, in whole or in part, by* the performance of your ongoing operations by you or on your behalf, under that written contract or written agreement. Ongoing operations does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project; and

b. "Bodily injury" or "property damage" *caused, in whole or in part, by* "your work" performed under that written contract or written agreement and in-

cluded in the "products-completed operations hazard", but only if:

(1) The Coverage Part to which this endorsement is attached provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard"; and

(2) The written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for that person or organization.

If the written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for a specified length of time for that person or organization, the "bodily injury" or "property damage" must occur prior to the expiration of that period of time in order for this insurance to apply.

If the written contract or written agreement requires you to provide additional insured coverage for a person or organization per only ISO additional insured endorsement form number **CG 20 10**, without specifying an edition date, and without specifically requiring additional insured coverage included within the "products-completed operations hazard", this Paragraph **b.** does not apply to that person or organization.

2. If the written contract or written agreement described in Paragraph 1. above specifically requires you to provide additional insured coverage to that person or organization:

a. *Arising out of* your ongoing operations or *arising out of* "your work"; or

- b. By way of an edition of an ISO additional insured endorsement that includes *arising out of* your ongoing operations or *arising out of* "your work";

then the phrase *caused, in whole or in part, by* in Paragraph A.1.a. and/or Paragraph A.1.b. above, whichever applies, is replaced by the phrase *arising out of*.

3. With respect to the insurance afforded to the additional insureds described in Paragraph A.1., the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- a. The preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

4. This Paragraph A. does not apply to additional insureds described in Paragraph B.

**B. Additional Insured - State Or Governmental Agency Or Subdivision Or Political Subdivision - Automatic Status When Required In Written Permits Or Authorizations**

1. **Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision you have agreed in writing in a permit or authorization to add as an additional insured on this Coverage Part. Such state or governmental agency or subdivision or political subdivision is an additional insured only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued, in writing, a permit or authorization.

2. With respect to the insurance afforded to the additional insureds described in Paragraph B.1., the following additional exclusions apply:

This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or
- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard."

- C. The insurance afforded to additional insureds described in Paragraphs A. and B.:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
3. Does not apply to any person, organization, state, governmental agency or subdivision or political subdivision specifically named as an additional insured for the same project in the schedule of an endorsement added to this Coverage Part.

- D. With respect to the insurance afforded to the additional insureds described in Paragraphs A. and B., the following is added to **Section III - Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract, written agreement, written permit or written authorization described in Paragraphs A. and B. For the purpose of determining the required amount of insurance only, we will include the minimum amount of any Umbrella Liability or Excess Liability coverage required for that additional insured in that written contract, written agreement, written permit or written authorization; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

- E. **Section IV - Commercial General Liability Conditions** is amended to add the following:

**Automatic Additional Insured Provision**

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

1. During the policy period; and
2. Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraphs A. and B.

- F. Except when G. below applies, the following is added to **Section IV - Commercial General Liability Conditions, Other Insurance**, and supersedes any provision to the contrary:

**When Other Additional Insured Coverage Applies On An Excess Basis**

This insurance is primary to other insurance available to the additional insured described in Paragraphs A. and B. except:

1. As otherwise provided in **Section IV - Commercial General Liability Conditions, Other Insurance, b. Excess Insurance**; or
2. For any other valid and collectible insurance available to the additional insured as an additional insured on another insurance policy that is written on an excess basis. In such case, this insurance is also excess.

- G. The following is added to **Section IV - Commercial General Liability Conditions, Other Insurance**, and supersedes any provision to the contrary:

**Primary Insurance When Required By Written Contract, Agreement, Permit Or Authorization**

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to any other insurance available to the additional insured described in Paragraphs A. and B. provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization de-

scribed in Paragraph A. or B. that this insurance would be primary to any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means a centralized insurance program under which one party has secured either insurance or self-insurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

**Primary And Noncontributory Insurance When Required By Written Contract, Agreement, Permit Or Authorization**

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to and will not seek contribution from any other insurance available to the additional insured described in Paragraphs A. and B. provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization described in Paragraph A. or B. that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means a centralized insurance program under which one party has secured either insurance or self-insurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

- H. **Section IV - Commercial General Liability Conditions, Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

**Waiver of Subrogation**

We waive any right of recovery against any additional insured under this endorsement, because of any payment we make under this endorsement, to whom the insured has waived its right of recovery in a written contract, written agreement, written permit or written authorization. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such additional insured prior to loss.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANCELLATION OR NONRENEWAL BY US NOTIFICATION TO A DESIGNATED ENTITY**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS PACKAGE POLICY  
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART  
DENTIST'S PACKAGE POLICY  
ELECTRONIC DATA LIABILITY COVERAGE PART  
EXCESS LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART  
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY**

### **SCHEDULE**

Name and mailing address of person(s) or organization(s):

**CITY OF TROY PURCHASING MANAGER  
500 W BIG BEAVER RD  
TROY, MI 48084-5254**

Number of days notice (other than nonpayment of premium): 30

- A.** If we cancel or nonrenew this policy for any statutorily permitted reason other than nonpayment of premium we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least the number of days shown in the Schedule before the effective date of cancellation or nonrenewal.
- B.** If we cancel this policy for nonpayment of premium, we will mail notice to the person or organization shown in the Schedule. We will mail such notice at least 10 days before the effective date of cancellation.
- C.** If notice is mailed, proof of mailing to the mailing address shown in the Schedule will be sufficient proof of notice.
- D.** In no event will coverage extend beyond the actual expiration, termination or cancellation of the policy.