



Financial Statement and Single Audit Services 2026 RFP Response to Questions

1. Can you provide the audit fee for the prior year, or an expected budget range for the services requested in this RFP?

Due to the competitive nature of this request for proposal, Applicants are requested to make a firm cost proposal to DESC based on their experience providing services described in the RFP's Scope of Work.

2. Is the scope of work in this RFP consistent with prior years?

Yes.

3. Has the current auditor historically provided any additional services or billed for work outside the original audit contract?

DESC does not currently have an auditor. Through this RFP DESC is seeking proposals from qualified individuals and/or firms to perform a financial statement audit and single audit services for the Detroit Employment Solutions Corporation (DESC), for period beginning July 1, 2025, and ending June 30, 2026.

4. Has there been any significant issues or disagreements with the current audit firm (e.g., timing, communications, audit adjustments), and is the current firm being invited to submit a proposal?

No disagreements.

5. Are there any records maintained or prepared by the audit firm (i.e., fixed asset and depreciation listings, Schedule of Expenditures of Federal Awards, or other supporting schedules)?

No.

6. Were there any audit adjustments? If so, can you provide a copy of those adjustments?

None.

7. Have any known or suspected instances of fraud or significant control deficiencies been identified in the past 2-3 years? If so, please describe their nature and if resolved.?

No.

8. Are there any contingencies or legal matters that could affect future financial statements?

None identified.

9. Are there any accounting functions that are outsourced to third-party providers?

Yes, currently the interim CFO and Budget Director responsibilities are outsourced to a third-party service providers while appropriate direct hires are being recruited.



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- 10. Have there been significant operational changes during the current year or expected for next year? Examples would include any software changes, changes in accounting personnel, or new or expanded federal or state programs.?**

Substantially all remaining ARPA funds were expended in FY2025, and as such, DESC is adjusting through a constriction of services and funding. No new or expanded federal or state programs of significance noted. DESC is currently hiring for two Finance positions that are being performed on a fractional basis by contractors.

- 11. Do the auditors typically obtain direct (view-only) access to the general ledger system?**

No.

- 12. Were there any audit adjustments? If so, can you provide a copy of those adjustments?**

No audit adjustments.

- 13. To what extent are key documents (e.g., invoices, contracts, grant agreements, bank statements, and employee timesheets) available in electronic form, or are they maintained as hard copies**

Generally, yes, these are available electronically.

- 14. To what extent has the existing audit been performed onsite vs. remotely, and are there expectations or preferences regarding onsite versus remote fieldwork for this engagement?**

Field work has been performed remotely in the past. There are no specific expectations or preferences regarding onsite vs. remote fieldwork for this engagement but only as necessary to complete audit services.

- a. Are you open to a fully remote audit if current service levels are maintained?**

Generally, yes, however, we require in-person presentation to Audit and Finance Committee.

- 15. What is your preferred timing for fieldwork and submission of the reports?**

Early November prior to DESC's Audit and Finance Committee meeting and in advance of the City of Detroit's audit (DESC is a component unit of the City).

- 16. Have there been significant operational changes during the current year or expected for next year? Examples would include any software changes, changes in accounting personnel, or new or expanded federal or state programs.?**

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