

# **Livonia Public Schools**

---

***Finance Office***

Date: May 8, 2019

To: Andrea L. Oquist, Superintendent

From: Alison Smith, Director of Finance

Re: Appointment of Auditor for 2018 – 2019 Audit

We would like to discuss the appointment of Plante Moran as the District's auditor of the 2018-2019 financial statements.

Plante Moran has served as the District's auditor for several years now. We recommend that we maintain Plante Moran to provide consistency at this time. When switching auditing firms, it inevitably takes a new firm a significant amount of time to familiarize themselves with our systems, processes, and staff. This wouldn't be the case if we continue with Plante Moran, as they are very familiar with our District and are considered experts in the field of K-12 accounting.

Plante Moran is requesting an increase of \$900 (or 2%) to \$45,900 for 2019. We believe that this is fair compensation for the independent audit they conduct and the expert accounting advice they provide to the District as needed throughout the year. They are the largest and most experienced auditing firm of public schools in Michigan and they provide a significant depth of knowledge to their work and to our District.

I would like to point out that Plante Moran reviews bond and sinking fund transactions as part of their overall audit; but we have also hired the services of a second firm, Yeo and Yeo, to provide an independent audit of the bond and sinking fund transactions in light of Plante Moran CRESA being our owner's representative. That is not required; but we, as a District felt it would offer additional assurance that the District is properly accounting for all of our funds.

I would also like to mention that there is no Board policy or law that requires the Board to formally vote on auditing services, as this is under the category of a professional service, but we have done so in the past and believe this action provides transparency to the community on our financial practices.

We would like to bring this to the Board at the next Finance Committee meeting on Monday, May 13, 2019. Please let me know if there are any questions, or if any additional information is required.

AS/kp

Attachment