

# **Livonia Public Schools**

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***Finance Office***

Date: May 6, 2020

To: Andrea L. Oquist, Superintendent

From: Alison Smith, Director of Finance

Re: Appointment of Auditors

We would like to discuss the appointment of Plante Moran as the school district's auditor of the 2019-2020 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 approximately 2%, for a cost of \$46,800 for 2020. We believe the fee charged is fair compensation for the independent audit they conduct and the expert accounting advice they provide to the school 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 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 item, including the engagement letter that outlines their fee and scope of service to the Board, to the next Finance Committee meeting on Monday, May 11, 2020. Please let me know if there are any questions, or if any additional information is required.

AS/kp

Attachment

c: Board of Education