MBS INTERNATIONAL AIRPORT COMMISSION

REQUEST FOR PROPOSAL

FOR

EXTERNAL AUDITING SERVICES

July 17, 2026

NOTICE TO PROPOSERS

The Midland/Bay County/Saginaw International Airport Commission (hereinafter referred to as "Commission") is requesting proposals from qualified firms of certified public accountants to audit the financial statements of MBS International Airport (hereinafter referred to as "MBS") for the fiscal years ending December 31, 2026, 2027, and 2028.

These audits are to be performed in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards (Yellow Book), issued by the Comptroller General of the United States; the provisions of the U.S. Office of Management and Budget (OMB) Uniform Guidance (2 CFR Part 200), as applicable; the Single Audit Act Amendments of 1996, if applicable; and the provisions described in the Passenger Facility Charge Audit Guide for Public Agencies.

The auditor may provide technical guidance, clarification of accounting standards, and recommendations regarding best practices; however, management retains responsibility for the preparation of the financial statements, schedules, accounting records, and all management decisions.

Audits shall be conducted in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), including all applicable GASB statements in effect during the audit period, including but not limited to GASB Statements 34, 63, 65, 68, 75, 87, 96, 101, 102, and 103.

INSTRUCTIONS TO PROPOSERS

To be considered, an original and four (4) copies of a proposal must be received by the Commission at:

MBS International Airport
8500 Garfield Road
Suite 101
Freeland, MI 48623

DUE DATE: NO LATER THAN 4:00 pm EDT August 28, 2026

Proposals must identify full firm name and address of proposer and be signed by a representative authorized to bind the proposer.

INCURRED EXPENSES

There is no expressed or implied obligation for the Commission to reimburse firms for any expenses incurred by proposers prior to the issuance of an agreement, contract or purchase order, including expenses associated with the personal interviews.

LATE PROPOSALS

No late proposals received after the time indicated will be accepted. Failure to meet proposal requirements will result in disqualification.

PREVIOUS FINANCIAL STATEMENTS

2025 Audited Financial Statements for MBS are available online at

https://mbsairport.org/wp-content/uploads/2026/06/MBS-Intl-Airport-12-31-25-AUD-FS-FINAL.pdf

INTERVIEWS

MBS reserves the right to conduct personal interviews of any or all proposers prior to selection. Any or all interviews will take place at the MBS administration office in Freeland, Michigan on September 8, 2026.

All communications regarding this RFP must be directed to the following:

Jennifer Dymora
Finance Manager
(989) 695-5555 x10
E-mail: dymora@mbsairport.org

Upon issuance of the RFP, no communication may be made directly with any employee of the Commission or any Commission member, other than the contact referenced above. Failure to comply will result in any proposal submitted being considered non-responsive and will not be considered.

PRE-PROPOSAL QUESTIONS

Questions concerning this RFP must be submitted electronically to the e-mail address identified above prior to the day and time listed in the RFP for receipt of questions and clarifications.

The Commission shall provide responses electronically according to the timeline identified in the RFP. The Commission will only respond to electronic submissions requesting additional information and clarifications and only the responses provided by the Commission representative will be considered as the response. Any responses will be issued as an addendum to the RFP and will only be provided to proposers who met the original RFP submission deadline. Proposers must acknowledge the receipt of all addendums in the proposal.

TERMS OF AGREEMENT

A. Base Term
The successful firm will enter into an agreement for three (3) years and shall become effective immediately upon execution by all parties with implementation of all specified services to take place for the audit of fiscal year ending December 31, 2026. The agreement entered into between the Commission and the firm shall extend for the term through and including the audit for the fiscal years ending December 31, 2027, 2028.

B. Option Term
In addition to the Base Term identified above, one- three (3) year Option Term will be offered and exercisable upon mutual consent of the parties.

C. Compensation for services shall be a fixed price for each year of the three (3) year term of the agreement. Any annual optional extensions shall be performed at prices to be negotiated before the option is exercised.

D. Termination of Agreement
Either party may terminate the Agreement, with or without cause, with fourteen (14) days' written notice to either party. The Agreement may also be terminated by mutual written agreement of the parties at any time.

E. Indemnity
The Contractor awarded the bid shall indemnify and save harmless the Airport, its officers and employees of and from all loss or damage caused to any person or property by reason of any acts or omissions in the doing or making of the work specified herein, and by reason of failure to pay all persons who shall supply said Contractor with materials, provisions and supplies for the performance and completion of said contract, and to promptly pay all just debts, dues and demands incurred in the completion of this contract, or of whatsoever other kind or nature, which shall be caused by delay or failure in the performance and completion of this contract, and further to indemnify and save harmless of and from all suits and actions the Airport, its officers and employees, on account of any injuries or damages sustained by any person or persons by reason of any act, omission or negligence, or by the use of improper or defective material on the part of said Contractor in the performance of any part of this contract, and further to indemnify and protect any and all demands, fees or royalties for any patented invention, materials, articles, methods, arrangements or process of manufacture or any infringements thereon, that may be used on or be in any manner connected with the construction, erection or maintenance of the work, material, or any part thereof, embraced in this contract.

F. Insurance
During the life of the contract, the Contractor awarded the bid shall effect and maintain the following types of insurance:

- Comprehensive General Liability, including professional liability with combined single-limit coverage of at least $500,000 naming the Airport as additional insured.
- Worker's Disability Insurance.
- No Fault Automobile Insurance.

Such insurance shall be carried by financially responsible companies, licensed in the State of Michigan, and satisfactory to the Airport. The Contractor shall submit to the Airport Manager for review and approval certificates of insurance for the above required coverages. The certificates of insurance shall provide at least 30-days written notice to the Airport of any changes in the policy and any cancellation or termination thereof.

The terms of this RFP shall be incorporated into the agreement between the Airport and the firm awarded the bid.

DESCRIPTION OF OPERATIONS

MBS International Airport is owned by the cities of Midland and Saginaw and Bay County, Michigan. MBS International Airport Commission is a special statutory body created as provided by the Michigan Aeronautics Code MCLA 259.134. The law provides that two or more political subdivisions may join together to create an airport, and exercise the powers granted to the municipalities, counties, etc. Each local unit of government appoints three (3) members to the board of Commissioners. The Airport is governed by the MBS International Airport Commission under their own Rules & Regulations, along with those of the Michigan Aeronautics Commission, the Federal Aviation Administration and other applicable federal, state and local rules and regulations.

The Commission appoints an Airport Director/Secretary/Treasurer. The Airport Director is directly responsible to the board. All other airport staff is responsible to the Airport Director. Currently, there are five (5) other full-time, benefitted, non-union, salaried employees, including an Assistant Airport Director, Finance Manager, Administrative Assistant, Operations Supervisor and Facilities & Maintenance Manager. In addition, there are nineteen (19) full-time, benefitted, union, hourly employees. The unionized employees consist of eight (8) ARFF/operations technicians, eight (8) field maintenance personnel and three (3) custodians.

MBS participates in the following pension plans:

1. All full-time MBS employees, hired prior to September 1, 2008 are eligible to participate in a contributory single-employer defined benefit pension plan with Municipal Employees Retirement System (MERS).
2. All full-time MBS employees, hired on or after September 1, 2008 are eligible to participate in a contributory single-employer hybrid pension plan with Municipal Employees Retirement System (MERS).

Actuarial services for OPEB for the purpose of compliance with GASB Statement No. 45 are provided by Watkins Ross of Grand Rapids, Michigan.

All other accounting functions, including payroll are supported by one (1) accounting staff member with oversight and approvals from the Airport Director. MBS currently uses Sage 50 accounting software. All accounting records are maintained in the administration office of MBS.

MBS operations are mainly supported by aeronautical related revenue. MBS does not receive any local tax dollars for support of their operating or capital expenditures. Airport capital improvements are funded heavily from the FAA's Airport Improvement Program (AIP) grants and the Michigan Department of Aeronautics, ninety (90) percent and five (5) percent respectively. MBS is required to contribute funds for the remaining five (5) percent of the improvement project or for items that are not covered by the program. MBS also receives revenue from the Passenger Facility Charge (PFC) Program which allows the collection of PFC fees for every enplaned passenger at commercial airports controlled by public agencies. MBS uses these fees to fund FAA-approved projects.

The approximate annual budgets for MBS for 2021-2025 (including AIP and PFC funds):

FY2021	$7.4 million
FY2022	$8.0 million
FY2023	$8.7 million
FY2024	$8.5 million
FY2025	$12.4 million

PROPOSAL REQUIREMENTS

(Maximum of 15 pages)

1. Firm's qualifications to provide the required services.
2. Background and relevant experience (specifically identify prior experience at airports).
3. The size and organizational structure of the auditor's firm.
4. Statement of the firm's understanding of work to be performed.
5. A proposed schedule for fieldwork and final reporting, including a transition plan.
6. Name of partner, audit manager and field staff who will be assigned to our audit and provide a brief summary of qualifications.
7. A copy of or link to your firm's most recent peer review report.
8. References and contact information from at least two (2) comparable audit clients.

INCLUDE SEPARATELY IN YOUR PROPOSAL, ONE (1) SEALED ENVELOPE WITH THE FOLLOWING:

1. Proposed fee structure for each of the three (3) years of the proposal period.
2. Describe your billing rates and schedule and procedures for technical questions that may arise during the year, or whether occasional services are covered in the proposed fee structure.

SELECTION AND ACCEPTANCE

The Commission shall select the firm whose proposal demonstrates in the Commission's sole opinion, the clear capability to best fulfill the purposes of the RFP in a cost effective manner. The Commission reserves the right to refuse and reject any or all proposals and to waive minor irregularities and formalities and to accept the proposal to be the best and most advantageous to the Commission and hold the proposals for a period of up to sixty (60) days prior to award of a contract by the Commission. It is anticipated the selection of a firm will be completed during the regular scheduled Board meeting on October 15, 2026. Following the notification of the selected firm, it is expected that an agreement will be executed between both parties within 30 days of approval.

TIMELINE SUMMARY

Requests for proposals issued	July 17, 2026
Due date for receipt of RFP questions/clarifications	July 31, 2026, at 4:00 pm
Due date to issue RFP addendums	August 10, 2026
Due date for proposals	August 28, 2026, at 4:00 pm
On-site interviews with selected firms	September 8, 2026
Firm appointment by Commission	October 15, 2026
Agreement execution deadline	Within 30 days of appointment

The auditor's final report must be completed prior to presentation to the Commission meeting on the third Thursday in May following the end of the fiscal year.