

# AUGUSTA COUNTY SERVICE AUTHORITY



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## **Request for Proposals (RFP) #2004 Financial and Compliance Audit Services Addendum #1 and Acknowledgement**

To: Prospective Bidders

From: Casey McCracken, Augusta County Service Authority

Date: May 6, 2020

Subject: RFP #2004 – Financial and Compliance Audit Services Addendum 1

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The Augusta County Service Authority (ACSA) received the following questions from bidders. The answer to each question is provided below.

### **Question #1:**

What are the biggest concerns you have for your organization? How might you look at your audit firm to help you address those concerns?

### **Answer #1:**

No major concerns at this time.

### **Question #2:**

Is the audit being put out to bid on a normal cycle? How long have your current auditors been servicing the Authority? Can the current firm propose?

### **Answer #2:**

Yes. Current auditors have been servicing the Authority for 10 years. Yes, the current firm can propose.

### **Question #3:**

What are the current audit fees? What have they been the past three years?

### **Answer #3:**

Approximately \$45,000 to \$50,000 each of the last three years.

### **Question #4:**

Has the current auditor ever billed over their fixed fee and if so what was the reason?

### **Answer #4:**

No.

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**Question #5:**

Have there been any disagreements with the current auditors regarding accounting treatment, journal entries, findings or other matters?

**Answer #5:**

No.

**Question #6:**

Has the current auditor provided any additional services outside the original audit contract?

**Answer #6:**

No.

**Question #7:**

We understand for fieldwork November 30th is the due date, however, what are the desired audit fieldwork dates for interim and final fieldwork?

**Answer #7:**

The desirable date for interim fieldwork is mid-May and final fieldwork in mid-October.

**Question #8:**

For the interim and final fieldwork phase for each of the entities noted above, how many audit managers, seniors, and staff are typically in the field and for how long?

**Answer #8:**

Interim ranged from two to three days. Final field work ranged from 3 to 5 days. Usually 3 to 4 staff present at each. Usually partner, manager and staff involved.

**Question #9:**

Have there been many passed or posted adjustments resulting from the audit process in recent years? Is it possible to obtain the required communication correspondence?

**Answer #9:**

No passed or posted adjustments.

**Question #10:**

Who takes the lead in the implementation of new GASB's? Has management started to evaluate the impact of GASB 87 to the Authority?

**Answer #10:**

The Authority implements new guidance. Evaluation has begun for GASB 87.

**Question #11:**

What are the anticipated major programs for the 2020 single audit?

**Answer #11:**

None.

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**Question #12:**

What is the noted software platform used by the Authority; do you have plans to make changes to your software platform?

**Answer #12:**

Central Square FinancePlus and HTE. No changes currently planned.

**Question #13:**

Have you experienced turnover in key roles within the organization?

**Answer #13:**

New Executive Director hired 2 ½ years ago.

**Question #14:**

Are there any matters that require consideration in assessing the scope of this project over the proposed term?

**Answer #14:**

None that I am aware of.

**Question #15:**

With the onset of COVID-19, has changes to the timeline or required deliverables noted in the RFP been made? For example, firms are imposing mandatory telework and the RFP requires One (1) designated Original and three (3) copies of each proposal. Due to telework restrictions, copies will be hard to send over, will the Authority consider electronic submissions only?

**Answer #15:**

No changes have been made.

**Question #16:**

Do you anticipate the same level of funding from federal, state, and local sources as noted in the prior year?

**Answer #16:**

Yes.

**Question #17:**

If available, what were the total hours and number of personnel incurred on the Augusta County Service Authority audits in prior year?

**Answer #17:**

Usually 2 to 4 auditors involved. Hours spent on audit unknown.

**Question #18:**

Will the predecessor work papers and audit partner be available to help us evaluate the opening balances for the Augusta County Service Authority, in accordance with professional standards?

**Answer #18:**

Yes.

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**Question #19:**

What level of assistance can we expect from the Augusta County Service Authority staff? Will they assist with the following:

- a) Prepare the financial statements and related notes
- b) Prepare and record all journal entries
- c) Prepare audit confirmation requests
- d) Prepare account reconciliation schedules as requested
- e) Provide all the documents and access to the information needed to perform our audit procedures

**Answer #19:**

Yes to all of the above.

**Question #20:**

Can we obtain any management letters [including auditing findings/recommendations affecting the Augusta County Service Authority's financial statements, internal controls, accounting and accounting systems] for the past three [3] years, if applicable?

**Answer #20:**

A management letter has been provided to the board of directors and is available upon request.

**Question #21:**

Does the Augusta County Service Authority process their own payroll or use a third-party service provider?

**Answer #21:**

The Authority processes its own payroll.

**Question #22:**

Does the Augusta County Service Authority use any external services providers? If so, who are the service providers and do you receive SSAE16/SOC1 (formerly SAS 70) reports from these any service providers?

**Answer #22:**

No.

**Question #23:**

During interim and year-end audit procedures, are the auditors expected to work in the Augusta County Service Authority offices, or will information be available to be electronically transmitted? Will auditor access be available to the Augusta County Service Authority financial reporting system?

**Answer #23:**

Auditors will be expected to work in the Augusta County Service Authority offices.

**Question #24:**

Does ACSA anticipate extending the bid due date?

**Answer #24:**

No, the bid due date will remain the same.

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**Question #25:**

What additional details can ACSA provide concerning how the winning bid will be identified?

**Answer #25:**

The contract will be awarded to the most responsive and responsible auditor whose proposal is deemed most advantageous to the Authority.

**Question #26:**

Was this bid posted to the nationwide free bid notification website at [www.mygovwatch.com](http://www.mygovwatch.com)?

**Answer #26:**

No

**Question #27:**

Other than your own website, where was this bid posted?

**Answer #27:**

The RFP is also posted on the Virginia Business Opportunity website: <https://eva.virginia.gov>.

**Question #28:**

Were there any internal control recommendations provided by the auditors?

**Answer #28:**

No.

**Question #29:**

Can you clarify who will be responsible for preparation and printing of the CAFR? Section 3.2 seems to indicate Authority staff will prepare the CAFR and Sections 4.4 and 4.5 seem to indicate the auditor is responsible for the printing of the reports?

**Answer #29:**

Authority staff prepares the CAFR. Section 4.4 & 4.5 relate to final copies after the auditors opinions are included in the CAFR.

**Please print all pages of this addendum and sign and date the acknowledgement below indicating that you have received the changes to the specifications and include it with your submittal for your bid to be considered.**

I acknowledge receipt of this Document and the Addendum Changes:

\_\_\_\_\_  
Bidder's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name