



## Audit RFP Question and Answer January 25, 2019

Below is a series of questions and answers that were discussed related to the TANC Audit Services Request for Proposals Pre-Bid Conference Call held January 24, 2019. These Q&A's are being posted for transparency in the RFP process.

**What are the fees the Agency paid for its most recent financial statement audit?**

TANC has consistently paid less than \$50,000 per year.

**What are the most important qualities the Agency is looking for in an audit firm?**

TANC expects a firm to have staff with expertise related to JPA audits and able to meet timelines provided in the RFP. In addition, knowledge of new GASB requirements that relate to the Agency will be weighted.

**Has the Agency been satisfied with the service provided by its current auditor?**

The Agency was satisfied with the performance of its last auditor.

**Section 2.2.1 appears to imply that the incumbent, Baker Tilly will not be participating in the bid process. Can you please confirm?**

This is an open competition and an RFP was provided to the incumbent.

**Have there been, or will there be, any changes in the IT systems in 2019?**

The Agency is not aware of any modifications to the IT system.

**Did the Agency receive a written Communication to those charged with governance and other internal control related matters for the previous year's audit? Were there any material weaknesses or significant deficiencies noted?**

The Agency did receive written governance without any material weaknesses or deficiencies.

**Are there any significant, new transactions that are expected to impact the Agency's financial statements for the upcoming audit? We noticed mention of the single audit, but is there**

A Public Entity whose Members include:  
Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Modesto Irrigation District,  
Palo Alto, Plumas-Sierra Rural Electric Cooperative, Redding, Roseville,  
Sacramento Municipal Utility District, Santa Clara, Turlock Irrigation District, Ukiah

**anything else that would impact the financial statements and operations for the upcoming year?**

The Agency is not anticipating any new transaction(s) for the upcoming FY2019 audit and none are foreseen at this time.

**The scope of services does not appear to include the preparation of financial statements – can you confirm that the Agency will be preparing its own financial statement?**

TANC's Treasurer/Controller prepares the financial statements.

**How many audit staff are there for the on-site audit and how long are they on-site?**

An audit staff of two is usually at the on-site part of the audit. Field work is for one week.

**What journal entries (if any) were proposed by the auditors in 2018?**

None.

**Approximately how long have key financial/accounting personnel been at the Agency? How large is the finance/accounting group?**

Treasurer/Controller staff have experience with TANC financials varying from 5 to 12 years. Staff have decades of service.

**Have you had any concerns/challenges with the audit process in the past that would be important for a prospective auditor to be aware of?**

None of any significant concern or challenge.

**Whom will audit staff primary work with?**

TANC Treasurer/Controller.

**When are the Agency's books typically closed and available for the auditors?**

The books are closed in mid-August with audit field work in mid-September and opinion issued in October.

**When does the Agency provide all of the schedules requested by the auditors?**

A few days before the field work.

**It appears that 2019 will be the first year for the FEMA grant single audit requirement - has the Agency had other single audits in the past such that the current staff has familiarity with federal compliance and reporting requirements?**

This is the first single audit for the Agency, but, Controller staff has expertise in this area.

**If not (per the question above), is the Agency seeking consulting services from the auditor on these matters or strictly auditing services?**

We are not seeking consulting services, just audit services.

**Can you confirm that the Agency seeks to receive an hourly rate for the single audit services vs. an all-in fee?**

We would like to see an all-in rate built from hourly rates.

**When does the Agency expect the single audit records to be completed and available for the auditors?**

The same schedule and timeline as the regular audit.

**Other audit services – are either of the “special” audits expected to be required for 2019-2023?**

None are foreseen at this time.