FY25-015 Auditing Services Q&A

1. Why is the City going out for audit?
   1. Our current contract has reached the maximum term allowable under our Financial Policies
2. Were there any issues with the current auditor? Do they intend to propose again?
   1. They City has no issues with the current auditor, and they are welcome to propose again.
3. With regards to the City’s Finance Department, can you provide length of service, background, and depth of government experience for each key member?
   1. Jacque Troudt, Deputy City Manager/ Chief Financial Officer: Employed since October 2014, holds current CPA and CPFO certifications. Background in public accounting with emphasis in governmental and non-profit auditing, prior finance manager and finance director with the City and currently serve as the City Treasurer.
   2. Jerry Hubbard, Accounts Payable Clerk: Employed since November 2016, and holds Associate Degree in Accounting. Background in budgeting and accounting, with over 32 years of municipal government experience.
   3. Andy Vowell, Procurement and Contract Specialist. Started Jan 2025, 3 years public procurement experience, 9 years of public higher education experience, and 6 years in banking.
   4. Cynthia Yerby, MBA, Senior Accountant: with Evans since July 2020, 5+ years audit experience, 5+ years governmental accounting, currently hold Certified Fraud Examiner certification.
4. Who are the members of the City’s audit committee (if applicable)?
   1. The City Council appoints 2 members to serve on the finance committee at any one time.
5. Were there any journal entries discovered by the auditors during the 2024 audit process?
   1. Audit entries were proposed related to calculation of SBITA and compensated absences.
6. Have there been any significant changes in key staff in the past year that would affect the 2025 audit?
   1. No
7. Are there significant changes in federal funding anticipated for 2025? How many federal programs are expected in 2025? Were there any findings that will require follow up?
   1. The City expects to have federal expenditures which exceed the threshold to require single audit in most years, the current programs are not yet identified for 2025. There were no findings from the prior audit which require follow up.
8. Outside of the audit process, what does the City find/define value from its auditors?
   1. The City appreciates auditors who value the level of preparedness the City takes to be ready for a financial audit. Efficiency, communication, and continuity of an audit team improves the process each year. The City values the expertise available throughout the year, not just during the audit, if questions or situations arise and the ability to talk through differing viewpoints to ensure proper accounting and reporting are being followed.
9. Were there any major audit issues identified for 2024? Are there any anticipated ones for 2025?
   1. No
10. What part of the audit process would the City like to improve over the past audits?
    1. N/A
11. What transition issues would the City be concerned about if the audit is awarded to new auditors?
    1. The City has no concerns about transition.
12. Assuming each bidder’s proposed fees are equal, what is the next most important thing to the City?
    1. Level of service, communication, ability to assist with financial statement reporting.
13. What were the fees for the prior year audits for the City?
    1. See attached service contract for rates.
14. For remote work, can the City provide access to the accounting system remotely?
    1. The City will pull any required or requested system reports, no access will be provided to the City’s financial system directly. The City will rely on secure portal/ document managing system provided by the auditing firm to upload documentation and reports for review.
15. If the team is a remote team, can the City be flexible in having Council meetings via Zoom, Teams, or other similar platforms?
    1. No. While the City understands that a lot of work pertaining to an audit is completed virtually or remotely, the City requires the auditing firm to be available on-site to review some documentation and present to (finance committee if selected for interviews) and City Council for presentation of the audit.
16. Can you explain the reason that the City is going out to Bid? Also, is the current auditor invited to propose?
    1. See above
17. What were the fees charged for the 2024 and 2023 services listed in the RFP? Also, were any additional fees billed in prior years for services provided that were outside the scope of services within the RFP? If so, would you please provide a list of services and fees relating to those additional services?
    1. Please see above for fees, no additional services or fees were billed outside of the services included in the RFP.
18. Please provide the following for 2024;
    1. Trial balance for all major funds
       1. This will be provided upon selection of the auditing firm. Attached is a chart of account sheet to further illustrate the GL coding strings which includes funds and departments.
    2. Audit journal entries (posted and unposted/passed)
       1. Included in responses.
    3. Final required communication to City Council and Management
       1. Included in responses.
19. Are you able to provide read-only secure remote access to financial records, systems, and reports as needed?
    1. Yes for reports and records, no direct access will be provided to the financial system.
20. What characteristics or qualifications is the City prioritizing in selecting its next auditor?
    1. Selection criteria is included in the RFP.
21. Would you like any additional services included? (e.g. training, policy review, internal control assessment)
    1. Not at this time.
22. The RFP limits proposals to 10 pages. Is it permissible to include additional information in an appendix, which wouldn’t count towards the 10-page limit (e.g. peer review report and proof of insurance).
    1. Peer review, proof of insurance, and team members’ resumes will not be counted towards the 10 page limit.
23. Have there been any significant transactions this year (e.g. debt issuance, capital project, land sale, TIF)?
    1. The City issued $26.6 million of COPs to construct a new police station, the component unit (ERA) sold a parcel of land and the City has planned millions in capital projects which are underway. Interested firms are encouraged to read the 2025 budget book which is available online.
24. Are there any known significant transactions or activities planned for the future periods that should be considered in our proposal fees?
    1. Please assume single audit is necessary each year although the fee may be stated separately.
25. Are there any known significant transactions or activities planned for the future periods that should be considered in our proposal fees?
    1. None identified.
26. Is the City planning to early-implement any new GASB standards in the current or upcoming fiscal year?
    1. No
27. Have the financial statements historically been prepared by staff or the auditors? What is the expectation going forward?
    1. Financial statements have been assembled by the auditors in the past and the expectation is for that to continue so that reporting remains consistent.
28. Are there any improvements that the City would like to see made in the overall audit process, timing, communications, or other areas?
    1. No
29. What is your preferred audit timeline for fieldwork and final reporting? Specifically:
    1. With a goal to have interim fieldwork completed by Dec 15, when has interim typically started?
       1. Interim work has usually been completed over a few days in early December.
    2. Also, when have the auditors historically come on-site for final fieldwork, and for how long?
       1. Final fieldwork has historically been completed in early or mid-March. Auditors are usually on site for approximately a week, with additional work completed off site.
30. We see that the audit report is submitted to City Council in early May. With that in mind, are there specific council or committee meeting dates when the audit presentation is expected>?
    1. Early May
31. Has the City experience any challenges with grant reporting, eligibility, or drawdowns?
    1. No
32. How many auditors / on-site days did the prior year auditor provide (interim audit and final fieldwork)?
    1. This varied based on the makeup of the team and projects at the City. The proper level of staffing should be identified by the accounting firm and not the City.
33. How many City staff work in the finance department?
    1. 4 full time and 3 part time
34. Does the City prepare the financial statements or are the auditors requested to prepare the financial statements?
    1. See above
35. Was the prior year audit remote, on-site, or hybrid? Do you prefer for a new audit firm to be on-site, remote, or hybrid for fieldwork?
    1. See above for on-site expectations
36. How many federal awards with expenditures over $750K do you expect?
    1. Unsure.
37. The City may be building a police station with the purchased land from 2024. Did the City issue a bond for this project? How is it funded?
    1. See above
38. Do you expect any significant changes at the City that may add significant time to the audit in 2025 and in the future?
    1. No
39. What improvements or preferences would you have for a new audit firm?
    1. See above
40. What was the fee for the 2024 audit? Please breakout the components of the fee, if available.
    1. See above