



TOWN OF SIMSBURY, CONNECTICUT

REQUEST FOR QUALIFICATIONS

FOR:

Auditing Services

ADDENDUM # 2 – September 21, 2018

Question #1:

Please provide the most recent copies of the End of Year School Report ED-001 as well as the Local School District Audit Review Package for the ED-001 Data and the October PSIS Data.

Response:

This information would not be available until next week (after RFQ closing date). If a firm is selected for an interview and they need this information to update their costs estimates we will be able to provide the above information prior to the interview date.

Question #2:

Do you have any disagreements with the current audit firm?

Response:

No

Question #3:

What was the nature and magnitude of any audit adjustments for the FY 2017 audit and the prior 2 years? How many audit adjustments typically are identified each year?

Response:

In FY 2017 there were seven adjusting entries identified, which included correcting fund balance entries, a grant receivable adjustment, recording of a missed transfer between the town and board of education and recording of scholarship activity.

In FY 2016 there were six adjusting entries identified, which included two corrections to accounts payable, a grants receivable adjustment, reversal of an entry related to a fund not being set up in the prior year and expenditure cut off adjustment.

In FY 2015 there were ten adjusting entries identified, which included an adjustment to prepaid expenditures, deferred revenue adjustments, accounts payable adjustments and an expenditure cut off adjustment.

Question #4:

What were audit fees for FY 2017 and the prior 2 years?

Response:

The fee for the FY 2017 audit was \$52,600

The fee for the FY 2016 audit was \$50,900

The fee for the FY 2015 audit was \$49,900

Question #5:

Please describe the non-audit services which are expected in connection with this engagement. Have there been any additional billings in the past year outside the scope of the audit? If yes, what were the nature of the additional service provided and fees billed?

Response:

No non-audit services are expected in connection with this engagement. There were no additional billings in the past year outside the scope of the audit.

Question #6:

How many hours do the auditors spend on the audit? Generally, how long were the auditors in the field for interim and final fieldwork? How many auditors conducted the fieldwork? When will the records for the financial statements as well as single audits be ready for the start of fieldwork?

Response:

The exact number of hours spent on the audit is unknown.

Preliminary fieldwork would typically consist of three auditors and sometimes an intern for one week. Final fieldwork consists of three auditors for two weeks. The number of auditors does not include the Manager or Partner on the engagement that come out periodically during fieldwork.

Records will be available the end of September, beginning of October.

Question #7:

Does the Town prepare draft financial statements and schedule of expenditures for federal awards that the auditors use as a basis for the final issued reports?

Response:

Yes, management will provide the auditors with a trial balance as prepared by the financial accounting system to use as a basis for auditing the financial statements. Grant schedules will also be prepared and made available to the auditors as a basis for completing the state and federal single audits.

Question #8:

RFQ indicates that the Town's Comprehensive Annual Financial Reports (CAFR) will be prepared, word processed and bound by the audit firm. Please clarify to what extent you expect the auditor in the preparation of the Town's CAFR, especially for the introductory section and statistical section.

Response:

Audit firm will be responsible for creating the CAFR table of contents, incorporating and formatting client provided documents in the CAFR (ie prior year CAFR award, organization chart, financial schedules), preparing the audited basic financial statements, preparing the notes to the financial statements and preparing the required supplementary information. The introductory section, management discussion and analysis and non-financial statement schedules within the statistical section will all be prepared by management. They will be provided to the auditors for formatting and inclusion into the CAFR.

Question #9:

Were there any significant new federal grants in fiscal 2019?

Response:

No