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IMPERIAL COUNTY

Date: June 28, 2018
To: Prospective Respondents
From: Kathi Williams, Procurement Coordinator
REF: Request for Proposal (RFP) for the FY 2018-20 Local Transportation Authority Audits; **ADDENDUM #1**

The following are questions posed by potential respondents.

1. How long has the current auditors been performing the audit for the ICLTA?

The current audit team has just finalized their three year contract. The LTA conducts a competitive bid for audit services every three years.

2. How many auditors and how many weeks were the auditors on site for both interim and year end field work?

The audit team had visits with the Authority and member agencies to review records and interview finance staff. A specific breakdown of staff and hours spent with each agency is not available to the Authority.

3. What is the desired timeline for: Interim, Year-End, Draft Reports, Final Reports

Please refer to the Schedule posted in the current RFP, beginning on page 2.

4. What were the prior audit fee(s)? Please provide breakdown by report.

The total contract fee for the FY 2016-17 audit was \$79,037 but specific break down or allocated to work efforts for the individual member agencies is not available to the Authority.

5. Are there any new services requested in this RFP that were not included in the prior year audit fee?

Additional hours have been added to accommodate any additional audit time associated with the new 2018 bond debt financing expected in the July to August 2018 time frame

6. Will there be a Single Audit? (If so, please include the most recent copy of the report with your response)

The LTA does not utilize federal funds

7. If required, who does the State Controller's Financial Transaction Report preparation and submission? If the auditors, how much was the last year's fees?

The audit team does complete and submit the State reports on behalf of the LTA. A breakout of the fees for this task is not available to the Authority. See response to question 4 for the prior total annual fee.

8. How many journal entries were proposed by the auditors? Were there any findings?

Proposed entries include reconciling LTA financial statements to each member agency's records – approximately 0-3 for each agency

9. Were there any material adjustments made by the auditors in connection with the examination of the prior year Financial Statements?

There were no material adjustments made by auditors, but see actual reports for any material weaknesses, significant deficiencies and compliance matters

10. Has the ICLTA entered into any Major Contracts, Studies and/or Started any Projects in the Current Fiscal Year that would not be reflected in the Prior Year Financial Statements?

No

11. Any New Debt Issuances in the Current Fiscal Year?

A new bond debt issuance is scheduled for 2019

12. Is the ICLTA involved in any litigation not included in the Prior Year Financial Statements?

No

13. Any other Major Changes in the Current Fiscal Year that would affect the operations of the ICLTA?

An update to the ordinance is under consideration that might change the manner in which the 1% administrative fees are calculated annually

14. How did you measure the quality of the audit performed?

Excellent communication and follow up by audit team during the time frame

15. What audit areas, in your opinion, were cumbersome?

Member agencies responding to data requests from the audit team in a timely fashion.

16. What efficiencies would you like to see in the audit of the ICLTA's financials?

The continuation of a quality reporting process