

RFP – Audits
Addendum #1
Response to Questions

1. Why are you going through the RFP process?

Procurement policies dictate that we conduct a new RFP process at least every 5 years.

2. Can you provide a copy of the audit reports to be included in the scope of the RFP.

Copies of audit reports can be found on our website:

<https://www.maderactc.org/finance/page/madera-county-transportation-commission-financial-audits>

<https://www.maderactc.org/measuret/page/measure-t-audits> (Authority only)

3. Are the claimant and Measure T audits done under a separate contract?

TDA Claimant and Measure T compliance audits are the responsibility of the local jurisdictions. They have control to select the auditor.

4. What accounting system do you use?

QuickBooks Desktop Pro Plus

5. How many audit adjustments did your prior auditor have? If so, what was the nature of these adjustments?

For FY 22-23 MCTC had one minor audit adjustment journal entry that came up regarding accounts receivable. MCTA had none.

6. If the agencies have the CalPERS pension plan, does the agency calculate the allocation of the pension amounts, or is that calculation included within the scope of the audit?

Not Applicable. No CalPERS

7. Does each agency maintain their own depreciation schedule?

Yes.

8. Are there any changes in funding sources expected in FY 23/24 or future years that will affect the scope of the audit?

Nothing material foreseen for MCTC. MCTA administers the Measure T sales tax. The sales tax sunsets in March 2027. A renewal is being proposed for the ballot in November 2024.

9. Are any changes in operations expected in FY 23/24 or future years that will affect the scope of the audit?

None expected. See answer to Question #8 for future years.

10. What is your expected timeline for having the audits completed and is there flexibility in those timelines?

MCTC audit is expected to be completed by December 31 but no later than March 31.
MCTA audit is expected to be completed no later than January 15.

11. Can the audits be performed remotely, or are you expecting fieldwork to take place on-site?

The proposer will highlight the planned methodology to complete the necessary work consistent with Government Auditing Standards.

12. Is attendance at the Board meeting expected to be in-person or remote?

Whatever method is convenient or preferred for the proposer.

13. Do the agencies typically require a single audit every year? (ie threshold of \$750,000 of expenditures is met)

For FY 23/24 a Single Audit is expected for MCTC. However, for future years in the short term this may or may not be necessary as the threshold is moving to \$1M. FY 22/23 federal expenditures were \$918,460 and the expected amount for FY 23/24 is approximately \$932,000.

14. How many auditors and how many days/weeks were the prior auditors on site for field work? When do you prefer onsite work to be performed?

Historically, 2-3 auditors for 1-2 days for work on both audits. Most work can be done remotely. Work is performed during normal office hours of M-F, 8AM-5PM

15. Are there any special qualities you are looking for in the firm you select?

Competence with Government Auditing Standards.

16. How many journal entries were proposed by the prior auditor?

None. There was one journal entry that was mutually discussed and booked. See Question #5.

17. Is the auditor responsible for drafting the financial statements?

Yes, the audit report presentation of the financial statements is typically done by the auditor.

18. Have there been any major changes in personnel in the finance department of the Organization in recent years?

The last change was in March 2023 with the hire of a new Accounting Technician. The Fiscal Supervisor has been in place since April 2009.

19. What would you like to see improved about the service provided by your future auditing firm?

No substantive changes.

20. Are your prior year auditors included or excluded from the current RFP process?

Included.

21. Were there any major changes in the engagement requested in the RFP compared to last year's engagement?

No.

22. Have there been any changes in management in the last year or expected changes in the next 3 years?

None.

23. When do you expect the trial balance and statements will be ready to be provided to the auditor for both audits?

By September 30.

24. How many AJE's were provided to the auditor after they received the trial balance for both audits?

One for each audit.

25. Were there any AJE's proposed by the auditor, please explain what they were for.

None.

26. Do you prefer the audit staff to be onsite at your location or expect the audit to be performed remotely?

Auditor preference.

27. When do you expect the draft financial statements to be ready for the auditors review?

September 30

28. When would you like the auditors to issue their final audit reports by?

See Question #10.

29. Did you have any prior year agreed upon conditions of findings or recommendations? If so, please provide a copy of your most recent audit reports disclosing the findings or recommendations.

None.