

INDEPENDENT AUDITING SERVICES

QUESTIONS & ANSWERS

- Q. How long have the current auditors been performing the audit for the District?
A. **Since August 2016, (Past 5 audits).**
- Q. What has typically been the most challenging aspect(s) of the audit process?
A. **The understanding that Sunrise Recreation and Park District (SRPD) is a Special District that is Dependent under the County of Sacramento**
- Q. Were there any difficulties encountered during the prior audits?
A. **No**
- Q. Were there any disagreements with the current auditors?
A. **No**
- Q. Why is the District looking for new auditors or considering changing the auditor?
A. **SRPD has a best practice of requiring Request for Qualifications (RFQs) for auditors every 5 years for a full-scale competitive selection process, regardless of auditor performance**
- Q. Are the prior year auditors being invited to bid?
A. **Yes**
- Q. Are there any new services in this RFP that were not included in the prior year?
A. **No**
- Q. Were there any material weaknesses, significant deficiencies, or control deficiencies? If so, please provide relevant reports.
A. **No**
- Q. What were the prior audit fee(s)? Please provide breakdown by report. Did these fees include travel?
A. **FY 15/16 Audit**
- **\$11,825 – Financial Audit & Financial Transactions Report**
 - **\$875 – IT Evaluation (if deemed necessary)**
 - **\$1,500 – Reimbursables & Travel (not to exceed)**
- FY 16/17 Audit**
- **\$12,300 – Financial Audit & Financial Transactions Report**
 - **\$1,500 – Reimbursables & Travel (not to exceed)**

FY 17/18 Audit

- \$12,300 – Financial Audit & Financial Transactions Report
- \$1,500 – Reimbursables & Travel (not to exceed)

FY 18/19 Audit

- \$12,900 – Financial Audit & Financial Transactions Report
- \$1,500 – Reimbursables & Travel (not to exceed)

FY 19/20 Audit

- \$13,500 – Financial Audit & Financial Transactions Report
- \$1,500 – Reimbursables & Travel (not to exceed)

FY 20/21 Audit

- \$13,500 – Financial Audit & Financial Transactions Report
- \$1,500 – Reimbursables & Travel (not to exceed)

Q. What is the approved budget for financial audit fees for fiscal year 2022?

A. **Fees are up for Negotiation**

Q. How many adjusting entries/journal entries were proposed by the auditors last year?

A. **32**

Q. For both interim and year-end, in a normal year, how many staff did the audit team consist of in the past and how many days did the auditors spend in the field and when did the auditors come on site?

A. **2-3 staff, 3-4 days in the field, time of year on site varied due to scheduling. September is preferred.**

Q. Did the auditors perform any components of the audits remotely?

A. **Yes, and fully remote in 2020 and 2021.**

Q. Are you open to a hybrid approach in which the audit team would only come to your offices if needed?

A. **Yes**

Q. Are you able to scan and upload source documents?

A. **Yes**

Q. Have there been changes in the accounting system or software (new programs, new debt, new accounting/attendance systems, etc.) since last year or the last audit?

A. **Yes, new daycare software was implemented in March 2022**

- Q. Is the District planning a change in accounting system or software in the near future?
A. **No**
- Q. Will there be any significant events in FY2021/22 that could affect the scope of the audits?
A. **No**
- Q. Did the District expend more than \$750,000 of federal COVID grants and will it need a single audit in 2022?
A. **SRPD did not expend \$750,000 or more in federal funds and will not require a single audit in 2022.**
- Q. I understand that fieldwork typically happens in September, but when do you typically give the auditor the closed TB for each report?
A. **The books will be closed, and reports will be available the end of July.**
- Q. We noticed the June 2021 financial statements are not on the District's website. Will you please provide the 2021 financial statements if they are available? If not yet available, is the District open to completing the audit after January 1st?
A. **The FY 2020/21 Audit is anticipated to be completed prior to July 2022. SRPD's desire is for fieldwork to begin in September, completion of Financial Transactions Report by January 31st, and draft audit shortly after January 31st.**
- Q. What was the auditor's involvement in the GASB 68 and 75 entries and reporting?
A. **Auditor's responsibility along with District support and County of Sacramento GASB 68 and GASB 75 reports/documents.**
- Q. Does the Agreement between Roseville Joint Union High School District and the District for the use of the facilities constitute a lease and thus will be subject to GASB 87?
A. **No**
- Q. Please list the staff members in finance and their years of experience with the organization at that position.
A. **Margaret Hatton, Finance Manager – 8 years with SRPD, and 14 years additional experience with different Special District and School District. The Finance Manager will be the main facilitator during the Audit process work. Tori Thorpe, Senior Account Clerk – Less than 1 year. The Senior Account Clerk will support the Finance Manager with gathering required documents.**
- Q. Have there been any major changes in staff turnaround in the past year?
A. **New Senior Account Clerk – less than 1 year**

- Q. Do you expect to have any retirement or replacement of key employees?
A. **No**
- Q. Does the District use separate accounting software to convert the County COMPASS report to full accrual accounting as reported in the financial statements, including posting government-wide full accrual adjustments for capital assets, compensated absences, debt, pension and OPEB balances, or does the auditor post those entries as part of the audit?
A. **No separate software. Auditor posts entries as part of the audit.**
- Q. Were there any significant changes in operations, new or refunded debt, or other major changes that may increase audit hours?
A. **No**
- Q. Does the District have any leases and will it be implementing GASB Statement No. 87 on Leases during 2022?
A. **Yes. Currently the District has 1 Lessee Real Property Lease (portable for daycare), and 3 Lessee Equipment (3 copiers).**
- Q. How would you like to see the audit process improved?
A. **Continue with remote processes.**
- Q. What do you like about the service provided by your current auditing firm? What don't you like?
A. **Listing of documents needed was beneficial. We do not have any negative feedback to report.**
- Q. Were there any major changes in the engagement requested in the RFP compared to last year's engagement?
A. **No**
- Q. What were the expected and proposed annual hours of the previous audit contract?
A. **Hours were undefined**
- Q. During the prior year how many adjusting entries were provided after the trial balance was provided to the auditors?
A. **None**
- Q. Please expand on the description of services to be provide under Section IV. Scope of Work:
Preparation of a management letter for the financial audit that provides an overview of the District's financial activities that includes basic financial statement notations, financial highlights, and a financial analysis of the District.

Is this the required Management Discussion and Analysis within the financial statements?

A. Yes. The Auditor is responsible for the Management Discussion and Analysis section with assistance from the District's Finance Manager for specific areas. Please see link below for the July 15, 2021 Board Meeting.

Q. Was a management letter issued by the prior auditors? Please provide a copy of your most recent management letter if there were any findings or recommendations.

A. Please see link below for the July 15, 2021 Board Meeting.

Q. Can you please provide a copy of the June 30, 2021 Basic Financial Statements?

A. Please see link below for the July 15, 2021 Board Meeting; however, FY 2020/21 Audit is not yet available.

<https://www.sunriseparks.com/files/b179f2d4a/BOD+Agenda+7-15-2021+Web+Version.pdf>