



REQUEST FOR QUALIFICATIONS

FIRST 5 BUTTE COUNTY ANNUAL FINANCIAL AND COMPLIANCE AUDIT

RFQ 64-24

QUESTIONS AND ANSWERS

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

Service expectations are outlined in the [Request for Qualifications](#).

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

The prior year auditing firm is included in the current RFQ process.

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

No.

4. **What were your prior contract fees for each of the past three years? Please identify the audit fees for each audit/task. Is there an approved budget for financial audit fees for fiscal year 2024? If so, please advise amount.**

Please refer to the [current contract](#) for annual audit fees for the past three years. Audit fees are currently budgeted at the contracted annual rate of \$8,165 and will be budgeted for future fiscal years upon selecting and contracting with a successful applicant.

5. **What were the expected and proposed annual hours of the previous audit contract?**

Please refer to the [current contract](#).

6. **When do you expect the trial balance and statements will be ready to be provided to the auditor?**

Please refer to pages 3 and 4 of the [Request for Qualifications](#).

- 7. How many AJE's were provided to the auditor after they received the trial balance? Were there any AJE's proposed by the auditor, please explain what they were for.**

The number of Adjusting Journal Entries (AJEs) completed after the draft Adjusted Trial Balance was initially developed and submitted was not tracked for the prior fiscal year; however, it is anticipated that AJEs will occur as a natural part of the year-end closure and audit processes. AJEs were proposed by the current auditing firm for fiscal year 2022/23 and were related to the manner and timing in which the County of Butte entered fair market value adjustments and interest earned on the Commission's investments.

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

No.

- 9. Do you prepare your own Financial Report or do you look to the auditor to draft and prepare?**

Commission staff prepare the following items, with occasional questions for the auditor: Adjusted Trial Balance (including AJEs); Management's Discussion and Analysis; Government-Wide Financial Statements; Fund Financial Statements; Statement of Net Position; Statement of Activities; Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balance; Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual; and Notes to Financial Statements. These items are provided in draft form to the auditor to proofread and provide input or corrections. Corrections and/or adjustments are completed by Commission staff. A semi-final draft report is submitted to the auditor to add their required documents, and the auditor provides the final draft report for staff to present to the Commission.

- 10. Please provide a copy of the prior years audited financial statements and related audit reports.**

Four prior years of audited financial statements and audit reports can be found on the Disclosures page of the Commission's website, located at:
<https://first5butte.org/commission/disclosures>

- 11. Sample contract – Can there be revisions to the Confidentiality and Ownership section of the terms and conditions? We would like our insurance provider to review and to ensure that, The Commission acknowledges that proprietary information, documents, materials, management techniques and other intellectual property are a material source of the services Contractor performs. Any new forms, software, or intellectual property Contractor develops during this engagement for Commission's use shall belong to Contractor, and Commission shall have the limited right to use them solely within your business. All Contractor created, templates, manuals, forms, checklists, questionnaires, are proprietary to Contractor. All Reports produced shall be the sole property of Commission.**

These Terms and Conditions are part of a standardized contract template pre-approved by the County of Butte. Any requested changes to the template language must be discussed during contract negotiation, and thereafter approved by the Commission, County Department of General Services, and County Counsel.

12. Would you be able to provide the Prior year Fees for First 5 Butte County?

The prior year fees were \$8,165.