

2024 Audit RFP Questions

1. Can you provide the reason for the 3CE going out for RFP?

Response: Per best practices from the Government Finance Officers Association (GFOA), governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of an independent auditor. 3CE is going for out RFP to begin this practice.

2. Is the Incumbent Auditor allowed to bid on the RFP or is this a Mandatory Rotation?

Response: Incumbent Auditor is allowed to bid on the RFP.

3. How long have the current auditors served the 3CE?

Response: Five years.

4. When did their contract start?

Response: 2018

5. Is the scope of Services requested in the RFP the same as FY 2023?

Response: Yes

6. Were there any Management Letter Comments that resulted from the prior year audits from the auditors to the 3CE?

Response: No

7. Where there any Disagreements with the prior auditors?

Response: No

8. Has there been any turnover in 3CE Management since 6/30/23?

Response: No change in the CEO, CFO, COO, or CCO officers.

9. Has there been any turnover in 3CE Accounting Staff since 6/30/23?

Response: No

10. What were the things you LIKED about your audit process over the prior years?

Response: Good communication via email and video conference calls. The vendor was available for meetings with management, the boards, and committees.

11. What were the things you DID NOT LIKE about your audit process over the prior years?

Response: Nothing to note.

12. How many journal-entries were proposed by the auditor on an annual basis?

Response: Zero

13. How many weeks were the previous auditors onsite and with how many staff?

Response: No onsite work in the previous year, all remote. 3CE communicated with two staff.

14. Was the audit conducted virtually?

Response: Yes

15. How many dedicated Finance Staff are employed at the 3CE?

Response: Six staff in the Finance Department. 3CE outsources the general ledger accounting function to an accounting firm.

16. Who prepares and keeps the 3CE's MD&A?

Response: Prepared by external accounting vendor with review and possible editing from the CEO, CFO and Finance Director.

Who prepares and keeps the 3CE's recordkeeping for its Capital Assets (Additions & Deletions) as well as Depreciation Expense?

Response: External CPAs (Maher Accountancy)

17. Who prepares and keeps the 3CE's recordkeeping for its Compensated Absences?

Response: HR keeps employee files and PTOs are tracked within payroll system (ADP WFN)

18. Who prepares and keeps the 3CE's recordkeeping for its Long-Term Debt?

Response: 3CE does not have any long-term debt.

19. Any New Debt in 2024?

Response: No new debt is planned in the current year.

20. Who will be responsible to prepare the following entries for the 3CE?

Response: Our external CPA.

- a. GASB 68 – Pension entries 3CE does not offer its employees pensions
- b. GASB 75 – OPEB entries 3CE does not offer its employees post employment benefits
- c. GASB 87 – Lease/Contract – Revenue and Expense entries
- d. GASB 96 - Subscription-Based Information Technology Arrangements

21. Who will be responsible for preparing the Annual Financial Statements?

Response: Overall responsibility for the preparation of the financial statements lies with the Chief Financial Officer.

22. Any Federal Funding so far or anticipated in FY 2024?

Response: No

23. Any new or potential significant events or financial transaction in FY 2024?

Response: 3CE purchased an office building in San Luis Obispo. No other significant events or financial transactions are expected in the fiscal year.

24. Have there been any legal judgements rendered upon the 3CE in FY 2024?

Response: There are no outstanding monetary judgements against 3CE in FY 2023-24.

25. How much were the prior year audit fees (if possible, broken down by fee for service) Audit, Single-Audit and Prep of the Annual State Controllers Report by reporting entity?

Response: The not-to-exceed FY 2022-23 audit fees for the audit services were \$34,000.