

REQUEST FOR INFORMATION LOG

Organization Name:		Beaumont-Cherry Valley Water District		
RFP Name:		Professional Audit Services		
Project Manager:				
Last Updated:		11/21/2022		
No.	RFI Date	Date Answered	Description of RFI	Response to RFI
1	10/27/2022	11/2/2022	Has there been any turnover in management during the past year?	No
2	10/27/2022	11/2/2022	Has there been any turnover in accounting staff during the past year?	No
3	10/27/2022	11/2/2022	What accounting software do you use? Any plans for change?	Springbrook Enterprise, on premise. No plans for change in the near term.
4	10/27/2022	11/2/2022	How many journal entries were proposed by the auditor in the prior year?	Technically, none. For the past several years we have proposed and entered GASB 68 and 75 entries as Period 14 journals in the system, then asked the auditors to take a look at them before we post.
5	10/27/2022	11/2/2022	Any management letter comments outstanding from the prior year?	None.
6	10/27/2022	11/2/2022	May we receive a copy of last year's management letter?	Are either of the attached items what you are referring to?
7	10/27/2022	11/2/2022	How many major programs are subject to a Single Audit?	One potentially for 2022.
8	10/27/2022	11/2/2022	Any known or suspected fraud?	None.
9	10/27/2022	11/2/2022	When will the books be ready for the audit?	Late March 2023 for FY 2022 audit.
10	10/27/2022	11/2/2022	Are financial records available electronically?	Yes.
11	10/27/2022	11/2/2022	Is remote auditing acceptable to the District?	Acceptable but not preferred.
12	10/27/2022	11/2/2022	Who prepares the financials?	Our previous auditor, for FY 2017-2021, prepared the financials as a convenience to us. We prepared them prior to that and are capable of doing them again.
13	10/27/2022	11/2/2022	Were there any significant transactions (e.g., bond issuance, leases) during the year?	None.
14	10/27/2022	11/2/2022	Significant changes to operations or funding sources?	None.
15	10/27/2022	11/2/2022	Significant construction or capital projects?	Our CIP is quite extensive, with \$30.9M planned for 2022, although actual spending has been closer to \$5-6M.
16	10/27/2022	11/2/2022	Any audits or inspections by regulatory agencies?	None.
17	10/27/2022	11/2/2022	Any changes to the governance structure of the organization?	None.
18	10/27/2022	11/2/2022	Is the incumbent auditor invited to bid?	Yes.
19	10/27/2022	11/2/2022	What were the audit fees for the prior year?	\$25,800
20	11/15/2022	11/16/2022	How long have the current auditors been performing the audit for the District?	Years ended December 31, 2017 through December 31, 2021.
21	11/15/2022	11/16/2022	Were there any disagreements with the current auditors?	None
22	11/15/2022	11/16/2022	Why is the District looking for new auditors? i.e., checking out the market???	While we do not have written policy for Audit Services bidding every 5 years, it seems prudent to do so, as we prefer 3-5 year contracts.
23	11/15/2022	11/16/2022	What were the prior audit fee(s)?	12/31/21: \$25,800 (addendum of \$1,955 for increased field work, notified us before we took to our Board) 12/31/20: \$23,265 12/31/19: \$22,700 12/31/18: \$22,700 12/31/17: \$22,700
24	11/15/2022	11/16/2022	Were there any difficulties encountered during the prior audits?	None.
25	11/15/2022	11/16/2022	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?	For mostly onsite audits of 12/31/21, 12/31/18, and 12/31/17 (2020 and 2019 were remote due to pandemic), the audit team we worked with most consistently was 2-4 people. The auditors never separated interim from year-end field work, spending 6-8 days onsite in the first two years, and 4 in the last year, usually within the first two weeks of April.
26	11/15/2022	11/16/2022	Have there been changes in the accounting system or software since last year?	No.
27	11/15/2022	11/16/2022	Is the District planning a change of accounting system or software in the near future?	Not in the near future, no.
28	11/15/2022	11/16/2022	Will there be any significant events in FY22 that could affect the scope of the audits?	Nothing that comes to mind.
29	11/15/2022	11/16/2022	Any Cell Tower Revenue Leases or Other Leases?	The District has no existing cell tower or other leases where we are the lessor.
30	11/15/2022	11/16/2022	Does the District anticipate needing a Single Audit in the next couple of years?	We do anticipate having several major programs subject to Single Audit in the coming years; 1 possibly with the Bureau of Reclamation, another 1-2 as subrecipients of ARPA funds.
31	11/15/2022	11/16/2022	Would you be able to have a final TB and ready for audit in February/March?	We anticipate having a final TB and working papers ready to go by the middle to end of March.

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32	11/15/2022	11/16/2022	What was the auditors involvement in the GASB 68 and 75 entries and reporting?
			For the past 5 years, we have entered GASB 68 and 75 JEs in Period 14, using the CalPERS tool for GASBS 68, and entries provided as a convenience by our actuary for GASBS 75. The auditors would review the entries and the tools that we used to enter them for reasonableness, and then we posted them. We did not have any adjustments proposed by the auditors.
33	11/15/2022	11/16/2022	How long have key Finance staff been with the District and are there any planned retirements?
			The Director of Finance and Administration has had the shortest tenure of any key Finance staff, at a little over a year, up to 7-10 years for others.
34	11/17/2022	11/17/2022	What is the reason that you are considering changing the auditor?
			While we do not have written policy for Audit Services bidding every 5 years, it seems prudent to do so, as we prefer 3-5 year contracts. Our prior auditors performed audits for the years ended December 31, 2017 through December 31, 2021.
35	11/17/2022	11/17/2022	Will your prior auditors be invited to bid?
			Yes.
36	11/17/2022	11/17/2022	How many staff did the audit team consist of in the past and when did the auditors come on site?
			For mostly on-site audits of 12/31/21, 12/31/18, and 12/31/17 (2020 and 2019 were remote due to pandemic), the audit team we worked with most consistently was 2-4 people. The auditors never separated interim from year-end field work, spending 6-8 days onsite in the first two years, and 4 in the last year, usually within the first two weeks of April.
37	11/17/2022	11/17/2022	Is the scope of the services requested the same as last year?
			For the year ended December 31, 2022, the scope of services will be the same, with the potential for one major program subject to Single Audit. In future years, there may be multiple major programs.
38	11/17/2022	11/17/2022	Have there been any changes in your accounting system or software since last year?
			No.
39	11/17/2022	11/17/2022	Do you expect to have any retirement or replacement of key employees?
			No.
40	11/17/2022	11/17/2022	How many weeks did your prior auditors require for your last audit?
			A little more than a week on-site.
41	11/17/2022	11/17/2022	How many weeks/hours were spent by the prior auditors in the field?
			See answer to 40.
42	11/17/2022	11/17/2022	What were the prior year audit fees and can you please breakdown by components?
			We did not ask for or receive a breakdown of prior year audit fees by audit area. The total was 25,800 (\$22,700 original contract amount plus addendum of \$1,955 for increased field work, notified us before we took to our Board).
43	11/17/2022	11/17/2022	What is the current year budget for auditing services?
			Our anticipated budget for 2022 auditing services is \$30,000.
44	11/17/2022	11/17/2022	Is there anything specific that you are looking for with the successor auditors?
			No.
45	11/17/2022	11/17/2022	What are the things you liked and did not like about your current auditors?
			We have no complaints about our current auditors. They were always responsive and flexible, auditing remotely for the two years of the pandemic, and then coming back on site in the last year because we preferred it that way.
46	11/17/2022	11/17/2022	What are the things you liked and did not like in the audit process followed by your current auditors?
			One thing we liked about our prior auditors was the approach they took in relation to internal controls, balancing the need/cost of adequate internal controls with the benefits, as we have a small team.
47	11/17/2022	11/17/2022	How many adjusting entries did you have last year?
			There were no adjusting entries last year.
48	11/17/2022	11/17/2022	Do you expect to have a single audit this year?
			We may have a Single Audit this year.
49	11/17/2022	11/17/2022	How many major programs did you have last year?
			Last year, 2021, we did not have any major programs.
50	11/17/2022	11/17/2022	How much were the total federal expenditures last year?
			Federal expenditures awarded for 2021 were \$479K. We will be close to that in 2022, possibly higher.
51	11/17/2022	11/17/2022	Would the District be open to having most of the audit being performed remotely?
			The District would prefer to have the majority of the audit be performed on site. While all our data can be provided electronically, we do like to see and talk to the auditors in person.
52	11/17/2022	11/17/2022	What was the District's experience with remote auditing? Would you suggest any changes?
			For the most part, our experience was positive. What tends to happen though, is the audit can drag on a little bit longer than when the auditors are on site.
53	11/17/2022	11/17/2022	Are the majority of supporting documentation maintained electronically (e.g. PDF), such as checks, vendor invoices, cash receipts, timecards, personnel files.
			Yes, the supporting documentation is 100% electronic, with the caveat that some of the HR files are confidential/sensitive and may not be as readily available as all other files.
54	11/17/2022	11/17/2022	Do you permit third parties to access the District financial software remotely?
			We do not at this time allow third parties to access our financial system remotely.