

# Chico Area Recreation and Park District (CARD)

## QUESTIONS & ANSWERS



### Questions and Answers Regarding the Professional Auditing Services Request for Proposals

**RFP Date of Issuance: December 16, 2019**

**RFP Deadline for Submission: 5:00 p.m., Friday, January 24, 2020**

Chico Area Recreation and  
Park District (CARD)  
545 Vallombrosa Avenue  
Chico, California 95926  
(530) 895-4711

## QUESTIONS AND ANSWERS

1. Q. What was the amount of the District's Prior Year Audit Fee?  
A. The District is still finalizing the FY2018/2019 fees. The Audit Fee for FY2017/2018 was \$17,029.00.
2. Q. What is the reason that you are considering changing the auditor?  
A. Chico Area Recreation and Park District's current auditor is no longer performing government audits.
3. Q. Will your prior auditors be invited to bid?  
A. The prior Auditors will not bid.
4. Q. How many staff did the audit team consist of in the past and when did the auditors come on site?  
A. The prior audit teams consisted of the Audit Partner and 2-3 staff members. The auditors are usually on-site the last week of August.
5. Q. Is the scope of the service requested the same as last year?  
A. Yes
6. Q. Have there been any changes in your accounting system or software since last year?  
A. No
7. Q. Do you expect to have any retirement or replacement of key employees?  
A. No
8. Q. How many weeks did your prior auditors encounter for your last audit? How many weeks/hours were spent by the prior auditors in the field?  
A. Prior auditors spent one (1) week in the field.
9. Q. When did the on-site fieldwork take place?  
A. The on-site fieldwork usually takes place the last week of August.
10. Q. What is the current year budget for auditing services?  
A. The Fiscal Year 2019/2020 budget for auditing services is \$17,000.00

11. Q. When will a closed trial balance be available for the audit with all closing entries recorded?

A. A closed trial balance is generally provided before fieldwork begins.

12. Q. Is there anything specific that you are looking for with the successor auditors?

A. Chico Area Recreation and Park District is looking for auditors with experience auditing local government agencies. The District would like to see the Financial Statements changed so that they more closely resemble that of a local government agency and can match the required governmental forms for the State Controller's Financial Transactions Report.

13. Q. What are the things you liked and didn't like about your current auditors?

A. Chico Area Recreation and Park District has valued the current auditor's timely responsiveness to questions the district has had throughout the years.

14. Q. What are the things you liked and didn't like in the audit process followed by your current auditors?

A. The current auditors have a portal where the District can upload all requested documents electronically. This has saved time and resources and has been very much appreciated.

15. Q. How many adjusting entries did you have last year?

A. The District had four (4) adjusting journal entries in Fiscal Year 2018/2019.

16. Q. Do you expect to have a single audit this year?

A. No.

17. Q. How many major programs did you have last year?

A. The District has many programs. The majority fall into either Camps, Classes, Sports, Afterschool Program, or Facility Rentals.

18. Q. How much were the total federal expenditures last year?

A. The District does not currently receive federal funds.

19. Q. Can you provide the breakdown of the prior year audit fees by components (i.e., preparation of the financial statements, financial statement audit, and single audit (if applicable), etc.)

A. The invoice provided by the current auditors does not provide a breakdown of fees. The District has a contracted amount that is billed.

20. Q. Were any additional fees billed by the prior audit firm as a result of the significant number of internal control and/or compliance findings reported?

A. No.

21. Q. Have there been any significant events/transactions in fiscal year 2020?
- A. The District Board has approved a revenue measure to be put on the ballot for the March 2020 election.
22. Q. Have there been any significant changes in operations in fiscal year 2020?
- A. No.
23. Q. Are there any new audit services requested in this RFP that were not included in the prior year fees?
- A. No.
24. Q. Can we obtain a copy of the prior year audited financial statements?
- A. Yes. The Draft 2018/2019 Audit Reports can be found on the District's website in the November 21, 2019 Board Packet, at: <https://www.chicorec.com/2019-11-21-board-of-directors-meeting>. The Final 2017/2018 Audit Reports can be found on the District's website at: <https://www.chicorec.com/financial-audits>.
25. Q. Can we obtain a copy of the prior year management letter, if applicable?
- A. Yes. The Draft 2018/2019 management letter can be found on the District's website in the November 21, 2019 Board Packet, at: <https://www.chicorec.com/2019-11-21-board-of-directors-meeting>. The Final 2017/2018 management letter can be found on the District's website at: <https://www.chicorec.com/financial-audits>.
26. Q. What type of accounting/bookkeeping system does the Chico Area Recreation and Park District use?
- A. The District currently uses Macola ES.
27. Q. Any major change of budgetary size or management turnover from previous year?
- A. No.
28. Q. Any major disagreements in regard to accounting principles or auditing procedures?
- A. No.
29. Q. Have there been any major changes in staff turnaround in the past year?
- A. The Parks and Recreation Director started in the position in July 2019.

30. Q. Please list the staff members in finance and their years of experience with the organization at that position.

A. Finance Manager – Started March 2017  
Finance Specialist – Started November 2018  
Finance Assistant – Started May 2017

31. Q. Were there any material weaknesses, significant deficiencies or control deficiencies? If so, please provide relevant reports.

A. No.

32. Q. Do you look to the auditor to improve business processes or fraud prevention controls?

A. The District continuously looks at our business processes and fraud prevention controls, however, we greatly appreciate any suggestions the auditors may have regarding these. Fresh eyes are always helpful, and the District wants to ensure we are doing everything in the best possible way.

33. Q. Has the auditor previously recorded the GASB 68 reports or does the District have an outside consultant compute the balances?

A. Yes, our current Auditors help with the GASB 68 calculations.

34. Q. Does the auditor normally prepare the Special District Financial Transactions Report and/or Local Government Compensation Report? Would you like us to include the fee to prepare these reports?

A. The District has historically prepared both the Financial Transactions Report and the Local Government Compensation Report. There is no need to include the fee for these reports.

35. Q. Would you or the Board of Directors be interested in our Firm's fraud prevention package? It's a fraud prevention presentation that takes about 30 minutes.

A. The District is not currently interested in the fraud prevention presentation.