

## REQUEST FOR STATEMENT OF QUALIFICATIONS – ADDENDUM 2

### For Contract City Auditing Services

The Request for Statement of Qualifications (RSOQ) is clarified as set forth in this Addendum in response to questions received from prospective responders. The original RSOQ Documents and any previously issued addenda remain in full force and effect, except as modified by this Addendum, which is hereby made part of the RSOQ. Respondents shall take this Addendum into consideration when preparing and submitting its Statement.

1. What is the reason you are considering changing the auditor?

The City has used the same Auditing Firm for the last 10 years.

2. Have there been any changes in your accounting system or software since last year?

There were no changes to the City's accounting system or software in FY 2019-2020.

3. Have there been any major changes in staff turnaround in the past year?

There have not been any major changes in staff turnaround in FY 2019-2020.

4. Do you expect to have any retirement or replacement of key employees?

The City does expect a retirement of key personnel in finance during the next 12 months.

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

Merry Mayhew – Director of Finance – 1 year, Lisa Whiteside – Finance Manager – 30 years, Ashton Gose – Management Analyst – 3 years, Sarah Chavarin – Accounting Technician – 3 years

6. How many adjusting entries did you did you have last year?

Ten audit adjustments were proposed by the auditors for FY 2018-2019.

7. Is the City Planning to issue any new debt?

No, the City does not plan to issue any new debt.

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

**Finding – Lack of segregation of duties over cash receipts:**

During the review of internal controls, it was noted that one staff member is responsible for both preparing the bank reconciliations and reconciling daily cash receipts to the general ledger.

**Finding – Lack of segregation of duties over payroll:**

During the review of internal controls, it was noted that one staff member is responsible for entering payroll information into the computer system, preparing payroll checks, distributing payroll checks, reconciling the payroll bank account and entering payroll changes. It was also noted that multiple users have access to change payroll rates and no log is kept of changes made.

**Management's response for FY18-19 has not been approved for distribution.**

### **2017-2018 Audit Report**

9. About how much time did the prior year auditors spend onsite to conduct their audit?

Two auditors were assigned to the City's audit last year, who stayed 8 days onsite at the City.

10. Are the prior year auditors being invited to bid?

Yes.

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

Not applicable.

12. What were the prior year fees?

The City spend \$38,000.00 in prior year audit fees.

13. Are there any new services in this RFP that were not included in the prior year?

No.