Request for Proposals S-00042: Professional Accounting Services Q&A

1. **How many bank accounts will be reconciled on a monthly basis that will require review from your consultant.**
    a. The consultant is not required to review bank statements and reconciliations monthly; however, it is an option available if the consultant chooses. SRTA has 31 accounts held at commercial banks, investment pools, and the county treasury.
2. **Does the Agency maintain its books under the modified accrual basis of accounting throughout the year? Or does it maintain its books under the cash basis, requiring conversion entries at the end of the year?**
    a. Accrual Basis.
3. **What internal control deficiencies, if any, were reported by your independent auditors as a result of your most recent audit?**
    a. SRTA has received findings in Financial Reporting and Segregation of Duties. You can find historical fiscal reports and audits on srta website: [Fiscal Reports | Shasta Regional Transportation Agency, CA](https://www.srta.ca.gov/237/Fiscal-Reports) (https://www.srta.ca.gov/237/Fiscal-Reports)
4. **Approximately how many total hours did the prior consultant spend on the FY 2024 ACFR and related year-end accounting support?**
    a. 333 hours were billed across all classifications for the FY 2023/24 pre-audit accounting work.
5. **Other than preparation of the ACFR, which year-end close activities are typically performed by SRTA staff versus expected to be supported by the consultant (for example: accruals, capital asset and long-term debt roll-forwards, pension and OPEB schedules, and lease and SBITA evaluation and accounting)?**
    a. The consultant will review posted transactions and suggest adjusting entries where appropriate. This can include corrections to accruals, capital asset and long-term debt roll-forwards, pension and OPEB schedules, and lease and SBITA evaluations.
6. **Does SRTA anticipate requiring implementation support for Governmental Accounting Standards Board (GASB) standards during the contract term, including both currently effective standards and standards not yet effective but applicable to future reporting periods?**
    a. So far SRTA has implemented all GASB standards through 101 (compensated absences).
7. **What is the typical Board approval date for the ACFR, and how many draft review cycles are generally expected prior to final issuance?**
    a. SRTA would like to have the Fiscal & Compliance audit approved at the April board meeting, and the Single Audit (if applicable) at the June meeting. Therefore, the final ACFR will need to be in final draft form at least three weeks prior to the agreed upon meeting so the audit can be completed in time for approval. There are typically 3-4 review cycles where a draft ACFR is reviewed by SRTA staff and auditing consultants to reconcile any discrepancies and correct formatting.
8. **Have there been any material audit findings, significant audit adjustments, recurring management letter comments, or Transportation Development Act (TDA) compliance findings identified during the past three fiscal years?**
    a. In fiscal years 2021/22, 2022/23, and 2023/24 SRTA received findings in financial reporting, segregation of duties, and bank reconciliation.
9. **Are monthly bank reconciliations and general ledger accounting currently up to date, and are balance sheet accounts reconciled on a regular basis?**
    a. Bank reconciliations are completed monthly and currently up to date. Balance sheet accounts are reconciled on a regular basis, most accounts quarterly.
10. **The project background section of the RFP references "preparation of year-end financial documents and reports". Other than assistance with preparation for the audit and drafting the ACFR, are there other reports, such as any state or federal compliance reports, that the selected firm will need to assist with preparing?**
    a. The consultant will assist with the Schedule of Expenditures of Federal Awards (SEFA).
11. **The scope of services references completing the ACFR three weeks prior to the approving board meeting. Is there a specific date when that board meeting typically occurs?**
    a. For FY 2024/25 SRTA's audit reports will tentatively go to the board April 30, or June 24, 2026.
12. **Are there any requirements for on-site work? While we believe that these engagements can typically be completed almost entirely in a remote environment, some clients prefer on-site work and/or meetings. For cost control and efficiency purposes, our preference is for the work to be completed remotely.**

   a. SRTA prefers the work to be completed 100% remotely.

13. **Will the selected firm be granted remote access to the agency's accounting system?**
    a. Remote access is a possibility. However, historically the consultant has been given an Accountant's Copy of the company file from QuickBooks and adjustments are then updated to the system by SRTA staff.
14. **The scope of services references collating typed financial statements. We typically provide the completed ACFR in print-ready PDF format. Is there a requirement for the selected firm to provide printed copies of the ACFR?**
    a. No printouts are required. A pdf of the ACFR is acceptable, along with an editable version in either .doc/x or .xlsx format.
15. **Is attendance at the referenced Fiscal and Policy Committee and Board of Directors meetings required to be in person or is Zoom or Teams video meeting an acceptable means of attending meetings with one or both of these entities?**
    a. All meetings can be attended virtually. Staff meetings can be Teams. The Committee and Board of Directors meetings are on Zoom.
16. **Are there any specific issues or challenges currently being experienced with the year-end close or ACFR preparation processes that the Agency would like the selected firm to address or assist with?**
    a. Implementing the new GASB standards such as SBITA, Leases, and Compensated Absences will need a closer review by the consultant. Drafting the required notes for these new standards will also be part of the consultant's scope.
17. **In the project background section, it states "resulting in minimal audit findings". Has SRTA had more than a minimal number of audit findings in prior years that it desires the selected firm to help address and/or correct?**
    a. SRTA has repeated findings that we continue to attempt to remediate each year. None of the fiscal and compliance findings have been reportable, but they have been materially significant in some fiscal years.
18. **For purposes of the MD&A section preparation, how much does SRTA anticipate its personnel being available to assist the selected firm with gathering the necessary internal information for this?**
    a. SRTA staff will be available during regular business hours during the entirety of the project to assist with any questions the consultant has.
19. **In the TDA compliance section, it states "attempt remediation of any compliance concerns prior to the annual independent fiscal and compliance audit." Has SRTA had compliance concerns in the past? If yes, what have they been (or are they currently)?**
    a. In the Single Audit of FY 2020/21, there was a compliance finding relating to written procedures on advances, which was immediately corrected. SRTA has, otherwise, not had any compliance concerns.
20. **In the additional information section, it states "Proposer shall be proficient in the use of Intuit QuickBooks software." Is SRTA using QuickBooks Online or is it hosted on a local machine?**
    a. SRTA uses the desktop version of QuickBooks hosted on a local server. SRTA staff can make necessary files available to the consultant upon request.
21. **Can the services be provided remotely?**
    a. Remote services are preferred.
22. **When was the last month bank reconciliations were completed? How many bank accounts does the Agency have?**
    a. Bank reconciliations are completed monthly. SRTA has between 25-30 bank and investment accounts.
23. **Were any audit adjustments proposed by the auditors as part of the most recent audit, and if so, approximately how many?**
    a. Less than ten auditor adjustments are typical.
24. **Were any material weaknesses identified during the most recent financial audit or single audit? If so, please describe.**
    a. SRTA has received findings in Financial Reporting and Segregation of Duties. You can find historical fiscal reports and audits on srta website: Fiscal Reports | Shasta Regional Transportation Agency, CA (https://www.srta.ca.gov/237/Fiscal-Reports)
25. **Does the Agency anticipate being subject to a Single Audit for FY 2025? Approximately how many active federal programs are typically included in the Schedule of Expenditures of Federal Awards (SEFA) each year?**

   a. Yes, SRTA typically has four federal program for planning funds: Federal Highway Administration (FHWA) – Metropolitan Planning; Federal Transit Administration (FTA) – Metropolitan Planning; FTA – State Planning & Research, Part I; and, FTA – Section 5304.

26. **Are you expecting any key staff turnover within the next fiscal year?**
    a. No.
27. **Are you aware of any fraud at the Agency, or has there been fraud found within the last 3 years?**
    a. No.
28. **What tools does SRTA currently use to draft the Basic Financial Statements as shown on the website?**
    a. Microsoft Excel and Adobe Acrobat.
29. **Is this work performed by SRTA staff or is it outsourced?**
    a. The ACFR is drafted by the consulting CPA and collated with the audit reports by the contracted auditor.
30. **Is the 'ACFR' noted in the scope intended to duplicate the Basic Financial Statements on the website?**
    a. The CPA chosen for this procurement will draft the Basic Financial Statements for fiscal year 2024/25 and future years.
31. **The RFP notes the consultant's work shall be in accordance with the Single Audit Act and OMB Circular A-133 and the related Compliance Supplement. Is SRTA amenable to striking those provisions as they relate to attest services?**
    a. Yes, however, the consultant should acknowledge that they are familiar with these provisions and are capable of completing a pre-audit review of the basic financial statements to remediate findings from these compliance requirements.
32. **Are scoring points awarded for local firms?**
    a. There are no scoring criteria for the consultants' location.
33. **Can the two Fiscal Policy Committee Meetings and SRTA Board of Directors Meeting be attended virtually? Are these meetings held monthly, annually, or quarterly?**
    a. There are five SRTA Board of Directors meetings each year: February, April, June, October, and December. The Fiscal & Policy Committee meets one or two weeks prior to each board meeting.