

RFP 19 420 0000 00001 Financial Audit – Questions and Answers

#	Question	Answer
1.	Were there audit adjustments proposed by RPC? If so, how many and what was the cause of the adjustment? We are referring to real adjustments, not the confusion by RPC on the trial balance.	There was one audit adjustment proposed by RPC to restate the prior year due to an accounting policy change to Unearned Revenues.
2.	How long have the members of the accounting staff worked for RLD?	ASD Director- five years CFO - four years CPO - five years Supervisor of Accts Pay and Accts Rec -three years Budget Director – three years Accounts Payable Accountant-four years Accounts Receivable Account-two years
3.	What is your desired timing for the audit procedures, both interim and final?	Interim field work to be performed September/October. Rough Draft of Financial Statements, Notes to the Financial Statements and audit finding presented to RLD’s CFO by October 24, 2018.
4.	Will the accounting staff have any participation in preparing the financials this year? If not, would you like us to assist you in becoming proficient in producing your own statements?	The accounting staff will not participate in preparing the financials. The Agency does not own the software to create the financial statements. The Agency CFO is proficient in the production of financial statements.
5.	Do you have an interest in receiving newsletters, emails and access to webcasts on new accounting or GASB developments? We will meet with you personally on any major developments.	The Agency CFO receives regular updates and training on new accounting or GASB developments already.

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6.	Can you please confirm the Response format and organization. The RFP states that we are to provide 3 original and 1 hard copy of the Technical Proposals and 3 original and 1 hard copy of the Cost Proposals (4 sets of binders for technical and 4 sets of binders for cost).	Yes, 4 sets of binders for the Technical Proposals, 4 sets of binders for the Cost Proposals, 1 electronic copy of the proposal only containing the Technical Proposal, 1 electronic copy of the proposal only containing the Cost Proposal
7.	The detailed scope of work includes financial statement preparation. Does RLD have the proper skills, knowledge, experience to take responsibility for the preparation of the financial statements in accordance with the Yellow Book?	Yes
	Which supporting schedules does RLD provide to assist the IPA in the preparation of the financials?	Capital Assets, Compensating Absences, Interfund Transfers, Transfers to/from Other State Agencies, Equipment Operating Leases, Building Operating Leases, Vehicle Operating Leases, Funding Authority for each restricted non-reverting fund and Schedule of Changes in Assets and Liabilities for Agency Funds
	Why was the final trial balance provided to the IPA so late in October last year? Which adjustments or areas caused RLD to provide an updated trial balance to the IPA and how is this expected to be alleviated in the current year?	The Agency provided the Independent Public Accounting Firm (IPA) with a trial balance that agreed to the balances in SHARE on October 16, 2017. The updated trial balance report used by the IPA to complete the financial statements was not the same trial balance. The Agency does not know the source of this updated trial balance that the IPA used which caused the Audit Report to be late.
	Detailed scope of work refers to GASB 68-these schedules do not appear to be included in your prior year financial statements? can you confirm the accuracy of this scope of work.	RLD is a part of the primary government of the State of New Mexico. RLD is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Disclosure requirements for

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		<p>governmental funds apply to the primary government as a whole. Therefore, the information for GASB 68 will be presented in the State CAFR Financial Statements. The net pension liability is a long-term liability that is not directly related to RLD and therefore not reported in RLD’s Statement of Net Position. The IPA will be required to review the disclosures provided by PERA.</p>
	<p>Detailed scope of work (1A) refers to planning materiality at the fund level. This wording appears outdated, can you confirm this scope of work needs to be corrected.</p>	<p>Audit planning must include materiality at the fund level. However, only the General Fund and Major Funds need to have the IPA’s opinion. Non-major funds are required to be included in the combining statements that show revenue, expenses and fund balances.</p>
	<p>Is RLD expected to have a Single audit in the current year?</p>	<p>RLD does not expend \$ 750,000 or more of Federal assistance received for its operations. Therefore, a single audit is not required.</p>