



**Las Virgenes Municipal Water District
Professional Audit Services
Questions
Issued March 7, 2019**

To All Potential Bidders:

This document provides questions and responses from the District for the Banking and Purchasing Card Services RFP issued on February 20, 2019.

Questions

Professional Audit Services

Q1: How can we obtain a copy of your prior year financial statements?

A1: JPA and LVMWD's are posted here.

<https://www.lvmwd.com/about-us/management/finance-and-administration/adopted-budget-and-annual-financial-reports>

Q2: How long and number of staff were at the District for both interim and final fieldwork?

A2: The contract was not awarded based on hours, therefore the District did not audit staff.

Q3: The audit fees the District paid for the District Audit and JPA audit for FY 2018?

A3: Refer to the June 24, 2014 board meeting.

<https://www.lvmwd.com/about-us/board-of-directors/board-meetings-agendas-minutes>

Q4: Is the current firm allowed to bid?

A4: Yes

Q5: When will the District's be ready for final fieldwork?

A5: To be determined with awarded firm.

Q6: How many adjustments did the District provide to the audit firm after the start of their fieldwork?

A6: None

Q7: What do you like about the service provided by your current auditing firm?
What don't you like?

A7: The District does not endorse vendors in either a positively or negative way.

Q8: Please provide a list of firms that have been sent an RFP.

A8: The RFP has been posted on our website and also posted on CSMFO's website.

Q9: Were there any major changes in the engagement requested in the RFP compared to last year's engagement?

A9: No

Q10: How many hours did your previous auditors encounter for your last audit?

A10:The contract was not awarded based on hours, therefore the District did not track.

Q11: When is interim and final field work scheduled to begin?

A11:To be determined with awarded firm.

Q12: Does the District prepare its own Financial Report or is the auditor responsible for preparation and assembly?

A12: No, the auditor is responsible.

Q13: Why is the District considering changing the auditor?

A13: The District's practice is to send multi-year contracts to bid every five years.

Q14: How long has your prior auditor been performing the audit?

A14:5 years

Q15: Is the scope of the service requested the same as last year?

A15:Yes

Q16: Have there been any changes in your accounting system or software since last year?

A16: No

Q17: Is there anything specific that you are looking for with the successor auditors?

A17: The requirements are outlined in the RFP.

Q18: Were there any material weaknesses or significant deficiencies in the prior year?

A18: No

Q19: How much were the total federal expenditures in prior years and can you provide a copy of your last single audit if you had one?

A19: The District expenditures were under \$750k and was not required to have a single audit.

Q20: How many audit adjusting journal entries did you have in the prior fiscal year?

A20:None

Q21:Any litigation not included in the 2018 Financial Statements?

A21: No

Q22: Will there be any significant events in FY 2019-20?

A22:The District will be implementing a new ERP system during FY 19-20, with a go live date for Financials of July 2020 and HR January 2021.

Q23: Are there any significant changes in operations expected for FY 2019-20?

A23: No

Q24: When was the District ready for audit last year?

A24: The first week in October.

Q25: Do you expect to be ready about the same time this year?

A25: Yes

Q26: After the auditors started their year-end field work, did the District give the auditors a few entries that were initiated by the client? If so, how many and what were there nature?

A26: No

Q27: Do you expect new debt issues, major construction projects, software conversions, etc. during the duration of the proposed contract?

A27: At this time we do not have any new debt issues scheduled, the major construction projects are listed in our Budget, and the District plans to implement a new ERP System as stated above. Below is the link to our Budget documents:

<https://www.lvmwd.com/about-us/management/finance-and-administration/adopted-budget-and-annual-financial-reports>

Q28: Was there anything serious in the prior auditor's report on internal control or communication to governance?

A28: No

Q29: Is the Dollar Cost Bid to be included in the main proposal or as a separate document?

A29: Refer to Section VI, C of the RFP document.