

# Capital Area Transportation Authority



## AMENDMENT OF SOLICITATION

1. AMENDMENT NO: 1	2. SOLICITATION NO: 2015-R13	3. SOLICITATION DATE: 14 APR 2015	4. EFFECTIVE DATE: 29 APR 2015
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5. ISSUED BY  
Capital Area Transportation Authority  
Purchasing and Contracts  
4615 Tranter Street  
Lansing, MI 48910

**Contractor is required to sign this document and return it with the bid/proposal.**

### 6. DESCRIPTION OF AMENDMENT

a. Cover Page Block 8

The due date and time is hereby changed from 2:00 PM on May 5, 2015 to 2:00 PM on May 8, 2015.

b. Cover Page Block 9

The number of photocopies is changed from 9 to 4.

c. The response the questions received by CATA are attached.

d. All other terms and conditions remain unchanged.

NAME OF OFFEROR (Type or Print)	TITLE OF OFFEROR
(Signature of person authorized to sign)	(Date Signed)



Date: April 29, 2015

From: Rich Bannon, Purchasing and Contracts Manager

Subject: CATA Response to Questions on RFP 2014-R13, Auditing Services

The following questions were received:

1. Why are you bidding? Are you happy with your current auditors?

CATA Response – The current Contract expires this year.

2. How many days and how many people were on site to conduct the audit?

CATA Response - Unknown

3. How much in federal funds is expected for the year ended 9/30/15?

CATA Response – 22 million

4. Who maintains capital asset records, calculates depreciation, etc.?

CATA Response – CATA

5. How many Audit Journal Entries did auditors have last year?

CATA Response – Unknown

6. What accounting software does the Authority use for their General Ledger?

CATA Response – Microsoft Dynamics SL

7. We assume the Authority books all accruals and provides detailed reconciliations on all material accounts, is that correct?

CATA Response – Yes.



8. What was the price for the 2014 audit?

CATA Response – \$25,000

9. Exhibit B – page 1 of 3, Section 3 - indicates that the issuance of the report needs to be by 12/30 each year. It was noted that at least the last 3 audits weren't issued until March. Has the Authority put specific procedures in place to be ready that much earlier than in the past? When specifically does the Authority want the auditors in for preliminary fieldwork and year-end fieldwork to facilitate a 12/30 statement issuance?

CATA Response – Pre close/month of September.

10. When does the Authority prefer the on-site inventory testing performed?

CATA Response – October

11. For the Authority's PTMS reports, once they have been provided to the auditors, what is the Authority's process for revisions to these reports to the State if there are material audit journal entries that cause material changes to these reports?

CATA Response – No material changes noted.

12. With implementation of both GASB 67 & 68 in the 2015 year is the Authority working to assure all the required data is/will be gathered in order to implement these standards effectively?

CATA Response – Yes.

13. Will the auditors draft the financial statements?

CATA Response – Yes.

14. Will the Authority draft the Schedule of Expenditure of Federal Awards?

CATA Response – Yes.

15. Has the Authority put procedures in place to resolve the issues noted on Attachment A (A1) of the financial statements?

CATA Response – Yes.

16. What is the reason for going out for RFP? Will the current firms be able to propose?  
[Exhibit A]

CATA Response – The current contract expires this year. The current firm will be able to submit a proposal.

17. When does preliminary and final fieldwork normally occur for the financial audit?  
[Exhibit B]

CATA Response – Preliminary in September/October, Final in December

18. What is the timing of all the presentations noted in the RFP? (pre audit meeting and post audit meeting) [Exhibit B]

CATA Response – To be determined

19. How many auditors were onsite during fieldwork for the financial audit and for how long? [Exhibit B]

CATA Response – See response to question 2.

20. What were the total hours to complete the FY 2014 financial audit? [Exhibit B]

CATA Response – Unknown

21. Can you please provide a copy the FY2014 financial audit, single audit management letter, and recommendations letter? [Exhibit A]

CATA Response – The document can be found on-line with the State of Michigan.

22. What IT system(s) do you utilize for the general ledger, work order system, etc.? [Exhibit B]

CATA Response – See the response to question 6.

23. Is there a page limit for the proposal? [Exhibit A]

CATA Response – No.

24. Does the auditor prepare the statements including notes and supplemental schedules?  
[Exhibit B]

CATA Response – Only statement and notes.

25. Were there any adjusting journal entries made as a part of the FY2014 audit? If so, can you please attach? [Exhibit A]

CATA Response – No.

26. Has CATA evaluated the impact and timing of GASB 68 implementation? Has CATA talked to their plan about when they will receive information? [Exhibit B]

CATA Response – Evaluating.

27. Is there a local preference in evaluating this RFP? [Exhibit C]

CATA Response – No.

28. Traditionally, when are the books and records available to audit?

CATA Response – November 1.

29. Does management prepare the Management Discussion & Analysis and pencil draft of the financial statements and footnotes?

CATA Response – Yes.

30. Typically, how many audit adjustments are required for the financial statement audit each year?

CATA Response –Unknown

31. How many major programs does CATA anticipate for the A-133 audit, for each of the five years covered by the request for proposal?

CATA Response – Sixteen to Eighteen

32. What were the prior year fees related to each of the requested services?

CATA Response – See the response to question 8.

33. Can you provide the annual number of hours incurred by the audit firm for each of the requested services?

CATA Response – No, hours are unknown.

34. Are there any particular areas that you will seek assistance from the auditors?

CATA Response – Software & staffing shortage in FY 2014.

35. The RFP refers to an audit deadline of December 31, 2015, what caused the delay for the 2014 audit to be issued in March 2015?

CATA Response – Software issues and staff shortage in FY 2014.

36. What is the status of CATA's corrective action related to the material weakness in the September 30, 2014 report?

CATA Response – Completed.

37. Have there been any significant changes in the last year (operations, information technology system, funding, personnel, etc)?

CATA Response – No.

38. Does CATA currently prepare the financial statements, the schedule of expenditures of grant awards, and any supplemental information required by the Federal Transit Administration or the National Transit Database?

CATA Response – Yes.

39. Approximately how many audit adjustments were proposed by the auditors in the previous year?

CATA Response – Unknown.

40. When could the selected audit firm come out for interim testing before 9/30/15?

CATA Response – As soon as the Contract is executed.

41. When is CATA ready for the audit to begin after 9/30/15?

CATA Response – November 1, 2015.

42. For implementation of GASB 67 and 68, what discussions has CATA had with the Plan's actuary to address the new reporting and assumption requirements?

CATA Response – Preliminary.

43. For the pension and OPEB plans, when does CATA typically receive the actuary reports?

CATA Response – The summer following the calendar year end.

44. GASB recently issued GASB 72, Fair Value Measurement and Application. Has CATA reviewed the standard for the impact to the 9/30/15 financial statements?

CATA Response – Not yet.