

Capital Area Transportation Authority



AMENDMENT NO. 1 TO SOLICITATION FINANCIAL AUDITING SERVICES

1. AMENDMENT NO: 1	2. SOLICITATION NO: RFP 2017-110	3. SOLICITATION NAME: Financial Auditing Services	4. AMENDMENT DATE: May 16, 2017
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5. ISSUED BY

Capital Area Transportation Authority
Purchasing and Contracts Department
4615 Tranter Street
Lansing, MI 48910

PLEASE NOTE: Contractor is required to sign this document and return it with the bid/proposal/quote.

6. DESCRIPTION OF AMENDMENT:

- a. Responses to Vendor Questions, is attached.
- b. All other terms and conditions remain unchanged.

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



Date: May 16, 2017

Re: CATA Responses to Vendor Questions
CATA RFP 2017-110, Financial Auditing Services

I. QUESTIONS AND ANSWERS

Q: Can you clarify who prepares the draft or pencil draft of the financial statements and schedules for all reports to be issued?

A: CATA will do that internally.

Q: Please clarify if the auditor is responsible for typing and processing the reports.

A: The auditor will be responsible for typing & processing the reports.

Q: Can you provide the number of audit adjustments posted in a typical year for the audit?

A: We expect fewer than five adjustments this year.

Q: Were any material weaknesses or significant deficiencies reported in the prior year audit?

A: Yes. Internal controls have since been addressed.

Q: For the prior year audit, please provide the number of audit hours incurred by project for the current audit firm.

A: CATA does not have this information.

Q: Please provide details of prior audit staffing. How many auditors, when did they come in, duration of visit?

A: Two staff members came for three days for preliminary, and three (plus partner time) did fieldwork for one week.

Q: Please provide the audit fee levels for the prior audit for each report or service provided.

A: Fees for auditing services in prior years should not be used to determine fees for these services.

Q: Do you anticipate any problem areas for the audit where the auditor should expect to incur any additional time for the upcoming audit?

A: CATA does not anticipate any such situation.



Q: Have there been any significant changes, or are any significant changes anticipated, in staffing of the Authority in 2016/2017?

A: No.

Q: Who maintains the capital asset records for the Authority?

A: CATA's Finance Department.

Q: How much in Federal expenditures are anticipated in this year? (i.e., similar to last year, more/less)

A: Approximately \$4 million in capital funding.

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

A: That is correct.

Q: How many adjusting journal entries did your auditors propose for the September 30, 2016 audit?

A: Seven – mostly GASB 68 related.

Q: With all of the articles in the newspaper regarding CATA and the penalties and fees to the IRS, is this going to cause a large restatement to record a liability that was not reported on the books?

A: No. All was recorded on the books in FY16.

Q: Will the Authority be able to provide the auditors with complete and accurate schedule of federal and state awards at the start of year end fieldwork?

A: Yes.

Q: Has the Authority already started to work with its OPEB actuary on obtaining reports for GASB 74?

A: No.