January 31, 2017  
Bulletin No. 3  
RFP No. 2054: Audit Services

The following **information** is provided for prospective Bidders for RFP No. 2054:

1. **Question:** It is my understanding that your current Audit firm has audited the organization for many years. Are there any service issues or audit approach items that you would like to see changed?

   **Answer:** No. We do not have any problem with the current Audit firm. The audit approach may be different between audit firms depending on their methodology, but the goal is to have unmodified opinion and good relationship with the Auditors.

2. **Question:** Can the current Auditor bid again?

   **Answer:** Yes, they were invited.

3. **Question:** What was the timeline of their fieldwork?

   **Answer:** See Bulletin No. 2 item No. 4.

4. **Question:** What was the size of the team?

   **Answer:** 1 Engagement Partner, 1 Quality Review Partner, 1 Manager, 1 Senior and 3 staff.

5. **Question:** Was this optimal for the District?

   **Answer:** We believe it was optimal.

6. **Question:** Other than the Board meeting date are there other milestone dates that the District has in relation to the audit process?

   **Answer:** State (Chancellor's Office and Department of Finance- December 31), Federal (Single Audit to Clearing House, Department of Education - March 31), ACCJC (January 15)
7. **Question**: What were the prior year audit hours for the District and the Bond work and what were the related fees paid for each?

   **Answer**: We do not know the number of hours the Audit firm used, the engagement is fixed fee contract.

8. **Question**: What are the current Auditor’s hourly rates by classification/title for the requested scope of work?

   **Answer**: The current contract is fixed fee. There is no schedule of fees for additional services.

9. **Question**: Did the Auditors provide any additional services? What were the additional fees?

   **Answer**: None.

10. **Question**: Were there any significant findings or audit adjustments in the prior year?

    **Answer**: No findings.

11. **Question**: Who prepares the Financial Statements?

    **Answer**: The Audit firm.

12. **Question**: Do you anticipate a long term relationship with the Audit firm?

    **Answer**: Yes. We would prefer a long term relationship as allowed by law.

13. **Question**: How many board meetings/audit committee meetings/CBOC meetings does the Auditor attend each year?

    **Answer**: District does not have an Audit Committee. The Auditor presents the report to the Board after final conference with District Management.

14. **Question**: Any significant litigation?

    **Answer**: No.

15. **Question**: What changes have there been in the organization that would impact the audit process?

    **Answer**: No changes which may have an additional audit risk.

16. **Question**: Are you expecting any significant changes in the sources of funding? I.e. new major grant programs.

    **Answer**: No. If there are any new grants, they may not trigger single audit in the current fiscal year.

17. **Question**: Do you have a separate Audit performed for your OPEB (Other Post-Employment Benefits) trust?

    **Answer**: No. We do monitor the fund and also the services of Consultant.
18. **Question:** Are there any new significant transactions in the current year, new debt issuance, defunding of debt etc.?

   **Answer:** No

19. **Question:** What computer systems do you use and have there been any significant changes in the current year?

   **Answer:** See Bulletin No. 2 Item No. 2.

20. **Question:** Are there any significant changes in the key personnel of the District?

   **Answer:** No

Sincerely,

[Signature]

Felix G. Sarao  
Director - Contract Management and Vending Services