

1. Please confirm the due date and time for the proposal submittal – there are conflicting dates on the RFP (attached & highlighted) August 8
2. Is there anything specific you are looking for in the successor auditors? We would like the audit to be conducted from our original point of entry which takes place in Sacramento County's internal accounting software (COMPASS). The auditor did not perform any part of the audit onsite.
3. How many staff did the audit team consist of for both interim and year-end, and how many weeks did the auditor spend in the field? The entire audit was performed remotely. I worked with one primary auditor and 2-3 auditors who focused on specific parts of the financials.
4. How many audit hours did your current auditors propose under your existing contract? The fee is charged per audit. Since we were not charged by number of hours, I do not know precisely how many hours were spent on the audit.
5. What were the prior year's total audit fees, and can you provide the breakdown by components? The total fee for the audit was \$19,250. There isn't a break down since it is charged by audit.
6. Were there any significant changes in operations for FY 2024-25? No
7. Were there any significant events in 2023-24 or 2024-25? Will there be any significant events in FY 2025-26? During 23-24 we sold our cell tower leases (2 total). During FY 25-26 we will complete a large construction project funded by GO Bonds.
8. Have there been any changes in your accounting system since last year or any planned changes in the future? As of the current fiscal year I am using QuickBooks in addition to COMPASS.
9. Were there any new bond issues in the current year or any planned bond issuances in the coming years? No new bond issuances for the years being audited.
10. How many leases and subscription arrangements does the District have? The District has quite a few subscriptions and will need guidance on the new GASB requirements. Many if not all of our subscriptions are cancellable within 30 days.
11. How many post-closing journal entries did you have for FY 2023? How many were proposed by the auditor? Please see attached.
12. Is there any litigation not included in the 2023 Financial Statements? No

13. Did the District have any layoffs, retirements, or replacements of key employees in the finance department? No
14. Do you currently have vacant or frozen positions within finance? No
15. Was the FY 2023 audit performed remotely? If so, is the District open to continuing remote audits in the future? Yes, the audit was performed completely remotely and the District is open to remote audits in the future.
16. Due to the timing of the release of the RFP, Is there any flexibility for the scheduling for the first year of the proposed engagement term for FY 2024 and FY 2025? There is flexibility within a reasonable time frame.
17. What is the reason that the District is behind on the financial statement audits? Our past auditor required us to incorporate a second accounting software meaning we have had to backfill entries. It has been a constant struggle of maintaining the current books plus backfilling from prior years and we simply haven't had the resources to catch up. We used QuickBooks for the past 2 audits but since those years had to be back filled it took a significant amount of time. The District recognizes the importance of maintaining a second set of books and starting in this fiscal year we are live in both COMPASS and QuickBooks.

Client Name: Fair Oaks Recreation & Park District

Contact (name, tel, email): Jamie Fawcett, (916) 224-5412, jfawcett@forpd.org

Please send a PDF of your current Audit Report and Management Letter.

What services are you seeking? ☒ Financial Audit; ☒ Bond Audit; ☐ Single Audit

Why are you considering changing your auditor?

Our past auditor required us to incorporate a second accounting software meaning we have had to backfill entries. It has been a constant struggle of maintaining the current books plus backfilling from prior years and we simply haven't had the resources to catch up. We currently use Sacramento County's internal accounting software -COMPASS in conjunction with spreadsheet record keeping and financial schedules. As of this fiscal year we are using QuickBooks in addition to COMPASS and we hope that backfilling the past 2 years will not be mandatory.

Who is your current auditor? How many years have they provided your audit services?

Richardson CPA's

Will your current auditor be invited to bid?

Yes

What were the prior year professional fees (or the budget) for Audit services?

\$19,250

Is the scope of the services requested the same as last year?

Yes with the exception of a secondary software requirement.

Has your organization (or its employees) been under any governmental investigation or regulatory examination in the past?

No

Are you aware of any fraud in your organization? If so, please describe:

No

Do you suspect any fraud in your organization? If so, please describe:

No

Have there been any allegations of fraud against your organization or anyone in your organization in the past two years? If so, please describe:

No

Did you have any disagreements with your prior auditor?

No.

How many journal entries and/or material adjustments did the auditor make last year? Please describe.

Please see attached.

Were there any significant findings reported by the prior year auditor?

No significant findings.

Has the District undergone any audits or inspections by regulatory agencies?

No

Is the District low risk or high risk?

Moderate due to bond issuances

Have there been any changes to the governance structure of the District during the audit period?

No

Have there been any significant changes in your management/staffing during the audit period?

An Accounting Assistant was added allowing for more time to plan and implement a secondary accounting software. We are live in QuickBooks in addition to the county system starting this fiscal year.

Has the organization entered into any contracts, issued a bond, begun a major project, or become party to litigation that are not reflected in the prior audit? Please describe.

The District issued GO Bonds through Measure J to fund a construction project.

What are your major concerns?

We are hopeful that the past 2 audits can be performed out of the county's system with non-balance sheet items provided via spreadsheet.

What are your board's major concerns?

The board has not stated concerns regarding the audit process.

What accounting system do you use? Has the Accounting system changed in the past year?

We use COMPASS which is Sacramento County's internal accounting software.

Are you open to conducting a remote audit?

Yes

When will a closed trial balance be available for the audit with all closing entries recorded?

At the start of the audit. We would ask for a prep list in advance of the audit.

When are you ready for us to audit?

Within 1-2 weeks after receipt of a prep list.

Do you have a specific due date for the audit issuance?

We would like to provide audited financial statements to our bond holders as soon as possible.

What meetings do you require the auditor to attend? When and where are they held?

We only ask for a presentation of the results at one of our regular board meetings. Board meetings are held on the second Wednesday of each month at 6pm. The auditor has the option to join via Zoom or in person.

Are there any other special reports / filings / tax returns that you would require?

The annual State Controller filing.