

Audit RFP 2022

Additional Audit RFP Questions (Unedited)

Answers are in Red.

- Can you confirm that the Foundation for Maine's Community Colleges audit and tax return should be included in this proposal? Should a separate fee table be prepared for these services?
 - Yes, the Foundation audit and tax return should be included. However, the Foundation pricing for the audit and the 990 should be separated from the Maine Community College System for billing purposes.
- Does the Foundation issue separate audited financial statements?
 - Yes.
- The RFP mentions that auditors should provide support to appropriately manage the OPEB Trust; can you expand upon what type of support is required?
 - It's mostly to assist in reporting the correct items as they relate to GASB pronouncements. Keeping us up to date. We've hired an Actuarial firm to assist with the calculations and projections.
- In prior year audits, approximately what amount of time is spent working with the System Office finance team vs. the individual college's finance teams? Has fieldwork primarily taken place at the System Office or at the various colleges?
 - The System Office is the primary point of contact for the audit, all work papers and schedule request flow through our Director of Financial Operations. Our pre-pandemic schedule has always included visit to select colleges (usually only 3 in the test mode) for items such as SFA work and back-up materials for the Financial Statements. That usually meant 2-3 days at the campus. Then the auditors did wrap up work at the System Office which lasted about a couple weeks. Under the pandemic, we've tried to do all functions via e-mail, phone, and ZOOM. The last audit basically required no visits to any location.
- Who prepares the financial statements and related note disclosures? If the auditor assists in the preparation, who prepares the consolidation of the colleges and any required eliminating entries?
 - The Director of Financial Operations prepares the Financial Statements and related Notes. The Auditor reviews to be sure all up to date required notes are included.
 - The Director of Financial operations also prepares the College Consolidation. Because of materiality, we have had no eliminating entries.
- Are audit requests made centrally through the System Office?
 - Yes, through the Director of Financial Operations.

- Historically, what has been the timing of final fieldwork and planning procedures?
 - Planning for the audit generally takes place in April, Student Financial Aid fieldwork takes place in June, and the final finance audit work starts the last week of August and continues right until the Financial Statements are issued to the State by October 15. Most of this work is done offsite.
- Has a management letter been issued in the prior year, and if yes, can a copy be provided?
 - No Management Letter was issued.
- Historically what has been the makeup of the audit team and how many weeks did it take to perform planning and final fieldwork?
 - The make-up of the audit team is determined by the firm. Generally speaking, it is Senior Staff (Principal), Audit Manager, and staff. See answer above for planning and final fieldwork.
- Has the single audit had different timing for fieldwork and report issuance; if so, when has this timing been in prior years?
 - Student Financial Aid testing is normally done in June and follow-up occurs during the Financial Statement fieldwork. The reporting of the Uniform Guidance Report has taken place after the Financial Statements are completed, usually around November.
- What were the prior year audit and tax fees?
 - This information neither enhances nor improves the value of the proposed bid and will not be shared at this point in time.
- Given the pandemic, can some of the audit fieldwork be performed remotely?
 - Yes. See answer above.
- How many audit adjustments were made in the prior year?
 - Two colleges had to adjust the HEERF funds. One was a double posting of the HEERF receivable and the other recognized HEERF funds in error.
- Is the Foundation the only 990 you require assistance with, and if you prepare it and we review, or if you would look to us to prepare it?
 - The Foundation 990 is the only one required. We would look to the audit firm to prepare the 990.
- Are there any disputes with your existing auditors, aware of any fraud, legal issues, or significant changes in internal control that we should be aware of as we respond an estimate the total hours and effort required?
 - There are no disputes with our current auditors. We're not aware of any fraud, legal or significant internal control issues that would hinder your ability to respond to this RFP.