



**RFP 19-0412: Audit and Tax Services
Questions and Answers**

1. I understand that in the past CareerSource Tampa Bay and CareerSource Pinellas has shared administrative support. What has been the relationship in the last year and what is the current relationship between the two agencies? **CareerSource Tampa Bay and CareerSource Pinellas entered into a shared services agreement in 2011 whereby the two separate and unrelated organizations shared the services of the Chief Executive Officer, other senior management, and certain other administrative services. Effective September 1, 2018, these agreements were not renewed.**
2. Based on investigations in the prior years, what are some internal changes that have taken place in the past year? **The Organization has made several changes. Those changes include but are not limited to a change in the organizational structure, discontinuation of certain practices, revision of policies and procedures, etc.**

What affect, if any, will the results of these investigations have on the June 30, 2019 financial statements? **At a minimum, footnote disclosure.**
3. Any issues with your prior auditor and is your prior auditor considered for re-engagement? **There have been no issues with the prior auditor. The Organization is seeking audit and tax services from a new qualified firm.**
4. Can you provide the extent of prior year audit adjustments? **There were no prior year audit adjustments.**
5. What was the prior year audit fee? **The audit and tax preparation fee for FYE 2018 was \$20,500**
6. The timeline discussed on page 8 of the RFP, is that the normal timeline or is that a modified timeline due to the timing of the RFP? **The timeline on page 8 is a modified timeline due to the timing of the RFP and committee and board meetings.**
7. Do you engage a firm to do program and fiscal monitoring services? If so, which firm do you engage? **No, a firm is not engaged to do the program and fiscal monitoring.**
8. Can we meet in person to discuss the responses to these questions? Please provide a couple of dates and times which work best for you. **Inquires related to the RFP are to be submitted via email.**
9. From a financial standpoint, what are CSTB's top three priorities?
 - **Successful mitigation of questioned costs**
 - **Overall review of fiscal policies & procedures**
 - **Increase of unrestricted funding sources**

10. What are the qualities in an auditing firm CSTB deems most important? **The qualities that are important to CSTB in an auditing firm include but are not limited to the following:**
- **Breadth and depth of relevant work experience (i.e. auditing workforce, not-for-profit, DEO funded programs)**
 - **Aptitude of the engagement team**
 - **Effective, timely and thoughtful communication**
 - **Dependable**
 - **Trustworthy**
11. Has anything significant occurred in the current year, which is different from prior years? **Please refer to question 19 for additional information regarding the DOL investigation. In addition, the CareerSource Tampa Bay and CareerSource Pinellas shared services agreement that was entered into in 2011 whereby the two separate and unrelated organizations shared the services of the Chief Executive Officer, other senior management, and certain administrative services was not renewed effective September 1, 2018. Prior to September 1, 2018, CareerSource Pinellas served as the employer of record for CareerSource Tampa Bay. As a result, the personnel records for the period 7/1/18 through 8/31/18 are held at CareerSource Pinellas.**

Is something significant expected and/or budgeted to occur in the current year, or soon thereafter, which a potential auditor should be aware of? **Significant occurrence to FYE 2019 is the release of the DOL report. At this juncture, the DOL investigation and questioned costs will be a footnote disclosure. As a result of the questioned costs, CSTB will solicit the services of a third party consultant to assist with review of records, etc. to mitigation the amounts in question. On the horizon, for fiscal year 2020, CSTB will be outsourcing certain program services to 3rd party service providers.**

12. Please provide a listing of schedules/workpapers provided to the prior auditor. **Schedules provided to the prior auditor, in no particular order, include but are not limited to the following:**
- **Bank reconciliation of each cash account including list of outstanding checks at fiscal year-end**
 - **Detailed schedule of accounts receivable at fiscal year-end**
 - **Detailed schedule of open payables and accruals at fiscal year-end**
 - **Check register for all checks written subsequent to fiscal year-end in excel**
 - **Reconciliation of salaries between ADP reports and salaries expense per general ledger as of fiscal year-end**
 - **Schedule of accrued wages as of fiscal year-end**
 - **Schedule of accrued leave at fiscal year-end**
 - **Grant roll-forward at fiscal year-end**
 - **Reconciliation of DEO grants revenues to revenues per general ledger and SEFA as of fiscal year-end**
 - **Schedule of expenditures of Federal and State awards at fiscal year-end**
 - **Copies of any DEO Notice of Federal Awards and direct federal grant award agreement**
 - **Cost Allocation Plan for fiscal year end under audit**
 - **Fixed asset roll-forward at fiscal year-end**
 - **Detailed schedule of fixed asset purchases, if any, for the fiscal year under audit**
 - **Detailed schedule of disposals, if any, for the fiscal year under audit**

- Depreciation expense schedule for the fiscal year under audit
 - Evidence of physical inventory performed on fixed assets
 - Prepaid expense schedule at fiscal year-end
 - Lease commitment schedule at fiscal year-end
 - Working Trial Balance at fiscal year-end
 - General ledger detail for the fiscal year under audit, by fund and account
 - Minutes of the meetings of the Board and Committees for the fiscal year under audit and until issuance of the final audit report
 - Copies of DEO monitoring reports
 - Company policies, i.e., financial, procurement, etcetera.
 - Copy of most recent organizational chart
 - Board member listing for the period under audit
13. Please provide the audit adjustments (proposed and posted) for 6/30/18 and 6/30/17 audits. **No audit adjustments proposed or posted for 6/30/18 or 6/30/17.**
14. Is CSTB drafting the financial statements, notes to financial statement, and schedule of expenditures of awards? or is this responsibility of the auditor? **CSTB drafts the financial statements, notes to financial statements and the SEFA. The auditor is to provide CFO and Director of Fiscal Compliance with current and relevant financial disclosure checklist as well as keep CFO and Director of Fiscal Compliance abreast of accounting standards that would have a current and future impact to the Organization.**
15. The implementation of ASU 2016-14 (NFP Financial Reporting Model) is required for the FYE 6-30-19 audit. What changes to the financial statements does CSTB anticipate? **The anticipated changes included but are not limited to the following:**
- **Change in the presentation of net asset classes and added footnote disclosure on board designated net assets**
 - **Expanded footnote disclosures related to functional expense and liquidity**
16. When does CSTB anticipate implementing ASU 2014-09 (Revenue Recognition), 2016-02 (Leases) and 2018-08 (Contributions)? **Implementation of the aforementioned will be no later than the mandatory effective date.**
17. Does CSTB maintain the depreciation schedule or is this part of the scope of services of the audit services contract? **CSTB maintains the depreciation schedule.**
18. What were the fees charged for audit and tax preparation fees for the year ended June 30, 2018 and June 30, 2017 audits and IRS Form 990? **Fees charged include audit and tax preparation fees were as follows:**
- **6/30/18: \$20,500**
 - **6/30/17: \$20,000**
19. In note 11 of the 6-30-2018 financial statements the 1st paragraph discusses an investigation be state and federal agencies. Was is the current status and results of this investigation? **On May 16, 2019 CareerSource Tampa Bay received the U.S. Department of Labor Employment and Training Administration (USDOL/ETA) Compliance Review of CareerSource Tampa Bay (CSTB) and Career Source Pinellas (CSPIN). The report included a synopsis of findings and potential**

questioned costs. On June 28, 2019, DEO submitted their corrective action plan that includes the corrective actions of DEO, CSTB and CSPIN that have already been taken or are in progress.

20. What are the significant accounting and operational changes since the termination of the shared services agreement with WorkNet?

In fiscal year 2019, the Organization negotiated and was approved for a provisional indirect cost rate. Prior to this CSTB elected to use the de minimis rate of 10% .

The significant operational change is the addition of executive level officers, Chief Financial Officer and Chief Operating Officer.

21. CSTB requests a digital document that is “compatible with Microsoft Word 2010.” Will an Adobe PDF document be acceptable? **Yes, Adobe PDF is acceptable.**
22. Each section is titled “Tab _ - (title)” – do you prefer physical tabs, or are these in name only? **Name only is sufficient**
23. In Tab 3 – Executive Overview (page 15 of the RFP), you ask for resumes in the Resumes and Experience section and state it should include the information requested on Attachment 4 – Resume Template. Can you please confirm that the same information/forms do not need to also be included in Tab 5 – Attachments? **The resumes, with the requested information, should only be included in tab 5, as Attachment 4.**