

QUESTIONS AND ANSWERS 2013-14-RFP-AUDIT-TAX

Q1: If our firm obtains a contract with the Department of Economic Opportunity to perform the annual monitoring of the regional workforce boards, would it create a conflict with CareerSource Florida if the same audit firm is hired to perform CareerSource Florida's annual audit?

Without further information, we are not aware of any impairment of independence in this situation. We believe it is the responsibility of the respondent firm to determine independence.

Q2: If our firm obtains a contract with the Department of Economic Opportunity to perform the annual monitoring for regional workforce boards, would it create a conflict with CareerSource Florida if the same audit firm is hired to prepare CareerSource Florida's 990 tax return?

Without further information, we are not aware of any impairment of independence in this situation. We believe it is the responsibility of the respondent firm to determine independence.

Q3: Will copies of prior year audit reports and the 990 returns be posted on the CareerSource Florida website?

No. Prior year audit reports and 990 tax returns are being made available electronically via email to all those firms who request it. Please contact Lisa McClain at lmcclain@careersourceflorida.com to request these copies.

Q4: May we obtain a copy of the annual financial report for prior years?

Our most recent annual reports are available on the CareerSource Florida website at: <http://careersourceflorida.com/plans-performance/>

Q5: May we obtain copies of the prior year Management Letter and/or Single Audit Reports?

Copies of the prior year Management Letter and Single Audit Reports are being sent electronically via email to all inquirers. Please contact Lisa McClain at lmcclain@careersourceflorida.com for these copies.

Q6: How many consecutive years have the current auditors performed the CareerSource Florida audits?

The most recent audit firm performed our audit and tax services for five (5) years beginning with the fiscal year ended 6/30/09 through the fiscal year ended 6/30/13.

Q7: What is CSF's reason for considering a change in auditors?

CSF has an internal policy to issue an RFP for audit/tax services at least every five (5) years. The predecessor auditors provided services for 5 years, which is the reason for the current RFP. The predecessor auditors cannot bid for this current solicitation.

Q8: Approximately how many auditor-generated journal entries are made each year?

Approximately (5) auditor-generated journal entries have been made on average.

Q9: Will the selected auditors be able to download/receive the CareerSource Florida financials and trial balance in Microsoft Excel format?

Yes, financials and trial balance can be downloaded into a comma delimited file (Excel) and/or pdf.

Q10: What has been the typical audit-team staff and duration for audit fieldwork?

Typically, the audit-team staff has consisted of a partner/senior manager, one senior and one staff. The duration of audit fieldwork is typically two days of interim work at CareerSource Florida in June/July; typically four (4) to eight (8) hours of work has been at the Orlando office of Enterprise Florida, our accounting services processor thru 12/31/13, to test cash and payables and inquire about fraud and internal control, however, this work was done at CareerSource Florida offices for the 6/30/13 audit), and then an additional (7) seven days in the CareerSource Florida office in Tallahassee to do all other testing and complete fieldwork. For 6/30/14 audit, some of this work will need to be done at CareerSource Florida office and much of the work will be done at James Moore & Co. LLC offices, our accounting services processor from 1/1/14 to 6/30/14. We anticipate much of the audit work will be done at James Moore & Co. LLC offices in Gainesville. Also, payroll/personnel files are located in the Orlando office of HR Expertise, Inc., our human resources contractor, and can be made available to the auditors upon request.

Q11: Do you have ranking criteria with points developed at this time? If so, would you provide them?

The ranking criteria and associated points are included in the RFP on page 24 at D.5.2: Evaluation Criteria.

Q12: What is the budget for the current year's audit and tax services?

The budget for current year's audit and tax services is not firm; CareerSource Florida will consider all proposals and evaluate them based on the criteria in the RFP, making an offer of award to the firm representing the best value to CareerSource Florida and to the State.

Q13: Where can I obtain further information about CareerSource Florida?

You may visit our website for further information. You may also visit Florida Statute 445.

Q14: May we obtain copies of the winning audit/tax proposal from 2009?

Copies of the winning audit/tax proposal from 2009 are being sent electronically via email to all inquirers. Please contact Lisa McClain at lmccain@careersourceflorida.com for these copies.

Q15: What were the audit fees paid for the June 30, 2012 and 2013 years?

\$30,000 per year

Q16: What were the tax preparation fees paid for the June 30, 2012 and 2013 years?

\$2,000 per year

Q17: What were the number and nature of the audit adjustments proposed by the auditor for the June 30, 2013 audit?

No audit adjustments proposed

Q18: Were there any additional fees paid to the external auditor outside the normal audit or tax preparation services for the period June 30, 2012 and 2013? If so, please provide the amounts and the nature of the services provided.

No additional fees and no additional contracted work. The audit and tax fees were inclusive of all services which included consultation and guidance provided throughout the year.

Q19: What accounting general ledger software was used by the third party processors for the audit period ending June 30, 2014?

Microsoft Dynamics Great Plains for July – Dec 2013; Abila MIP Fund Accounting for Jan – June 2014

Q20: Does the auditor normally write-up the financial statements and notes or the third party financial statement processor?

The auditor normally writes up the audited financial statements and notes.

Q21: Are there significant changes in the size and scope of operations expected over the three year term of the audit engagement?

No, there is no significant changes in the size and scope of operations expected from 2014 – 2016; however, our funding is based on federal and state allocations so any changes in funding at the federal or state level will affect us.

Q22: Will there be any additional consideration or points awarded for firms that audit Workforce regional boards within the State of Florida?

No, there are no additional points awarded specifically for firms that audit regional workforce boards within the State of Florida. See section D.5.2 of the RFP for evaluation criteria that outlines points awarded for not-for-profit and grant experience and experience of proposed key engagement team members.

Q23: Will there be any consideration or additional points awarded for firms who have been vetted and included under the State Term Contract 973-000-14-02 "Financial and Performance Audits" by the Florida Department of Management Services?

No. Evaluation Criteria is found in section D.5.2 of the RFP.

Q24: Have there been any material weaknesses, significant deficiencies, or recommendations to strengthen internal control provided by the predecessor auditor in the previous three years? Have those recommendations been implemented?

No.

Q25: Other than the monthly accounting, does Workforce Florida, Inc. use any significant service organizations as part of their accounting process? Are SOC reports available?

ADP is used for payroll processing. Yes, SOC reports are obtained from ADP each year and provided to our auditors.

Q26: Are there any threatened or pending lawsuits against Workforce Florida, Inc.?

Per the 6/30/13 audit documentation, in a letter dated August 20, 2013 from our legal counsel to the predecessor auditors, counsel was unaware of any pending or threatened litigation, claims or unasserted claims, pending legal matters or assessments against our company.

Q27: Can you provide a copy of last auditors' contract?

Yes, a copy of the contract will be provided to those firms who send email a request for a copy to: lmclain@careersourceflorida.com

Q28: Were any management letter comments sent by your auditors?

No, no management letter comments were sent by our auditors. Management representation letter is prepared by Controller and signed by Controller and CFO/COO.

Q29: Who are the committee members of the evaluation team?

An independent Evaluation Team with high-level financial and monitoring/evaluation responsibilities may consist of local regional workforce board staff, CareerSource Florida staff, CareerSource Florida's administrative agency staff (Department of Economic Opportunity), as well as other representatives of non-profit organizations.