

**QUESTIONS AND ANSWERS updated 1-16-19**  
**2018-19-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 Wiggins at [lwiggin@careersourceflorida.com](mailto:lwiggin@careersourceflorida.com) to request these copies.

**Q4:** Could we obtain copies of the most recent audit report with audited financial statements for fiscal year ending 6/30/18 and 990 return for year ending 6/30/17?

Our most recent annual reports are available on the CareerSource Florida website at:  
<https://careersourceflorida.com/about-us/reports-and-publication/>

**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 Wiggins at [lwiggin@careersourceflorida.com](mailto:lwiggin@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 6/30/14 through the fiscal year ended 6/30/18.

**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?

Up to (2) 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 received in 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 Gainesville office of our third-party predecessor in the first year of the contract, to test cash and payables and inquire about fraud and internal controls; however, since 2015, much of this work has been done electronically plus typically 3 onsite field work days at CareerSource Florida offices. Also, payroll/personnel files are digitized and maintained by HR Expertise, Inc., our human resources contractor in Orlando, FL, and can be electronically provided 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 2014?**

Copies of the winning audit/tax proposal from 2014 are being sent electronically via email to all inquirers. Please contact Jamaal Dickens at [jdickens@careersourceflorida.com](mailto:jdickens@careersourceflorida.com) for these copies.

**Q15: What were the audit fees paid for the June 30, 2017 and 2018 years?**

\$32,000 for 2017; \$32,500 for 2018.

**Q16: What were the tax preparation fees paid for the June 30, 2017 and 2018 years?**

\$2,750 for both 2017 and 2018.

**Q17: What were the number and nature of the audit adjustments proposed by the auditor for the June 30, 2018 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 for the past 5 years? 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 by the audit firm throughout the year.

**Q19:** What accounting general ledger software was used by the third party processors for the audit period ending June 30, 2018?

Sage Intacct: Cloud Financial Management Software

**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, the Schedule of Expenditures for Federal and State Assistance (SEFA), and notes using prior year templates.

**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 2019 – 2021; 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 CareerSource Florida, Inc. use any significant service organizations as part of their accounting process? Are SOC reports available?**

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

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

CareerSource Florida, Inc. management is 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' engagement letter?**

Yes, a copy of the contract will be provided to those firms who send email a request for a copy to: [lwiggin@careersourceflorida.com](mailto:lwiggin@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 or educational organizations.

**Q30: Could you provide a copy of the winning audit/tax proposal from the 2014 RFP for Audit & Tax Preparation Services?**

A copy of the winning audit/tax proposal from the 2014 RFP for Audit & Tax Preparation Services can be found [here](#).

**Q31: Have there been any significant changes to processes, funding, or management that would change the nature of the services to be provided?**

There have been no significant changes to processes, funding, or management that would change the nature of the services to be provided.

**Q32: Will the current service provider be allowed to submit a proposal or is rotation mandatory.**

Rotation is mandatory every five (5) years. Current service provider has maximized their time.

**Q33: Are the tax returns extended or filed without extension?**

Tax returns are usually extended to the May 1st deadline by the incumbent CPA firm under contract with CareerSource Florida.

**Q34: What is the annual fee paid for these services for the latest fiscal year? Do these fees include any billings for out-of-scope services?**

The annual fee for the latest fiscal year is \$32,500 for audit and \$2,750 for tax return. Fees include services outlined in the RFP, including consulting throughout the year, as needed.

**Q35: Is James Moore the current service provider?**

The current CPA firm contracted to complete both our audit and tax return is Purvis Gray & Company, LLP. As an extension of assistance to CareerSource Florida's accounting and finance team's daily functions, James Moore & Company CPAs is contracted as a third-party outsourced service and provides this assistance.

**Q36: Have other questions been submitted? If so, can we obtain a copy of these questions and the responses?**

Please refer to our FAQ page, which can be found via the link: <https://careersourceflorida.com/about-us/contracting-opportunities/>. This FAQ page is updated frequently as additional questions are received from potential respondents.

**Q37: Does CareerSource Florida maintain a detailed accounting for its fixed assets, or will it need the assistance of the selected firm to maintain that information for purposes of reporting depreciation and net book value?**

Yes, CSF maintains a detailed accounting for its fixed assets in a software system where depreciation and net book value are calculated. No assistance from the selected auditor will be needed to maintain this information. Data files will be provided to the selected firm for completion of F/S and Notes.

**Q38: Please describe the composition of your accounting/finance department? Are any of the accounting/finance department personnel CPAs? We noticed that there is a TPA that prepares financial statements and processes payroll, but are all other accounting functions outsourced to them as well?**

CSF's Finance Department consists of 3 staff who contribute to daily operations: Finance Director/Controller, Contracts Director, and Office Manager/Accounting Services Manager. A TPA, Paycor, fully handles payroll, and another TPA, James Moore, handles entry of accounting transactions into cloud-based accounting software.

**Q39: The RFP states that liquidated damages of \$1,000 per day will be assessed to the firm if deadlines are not met. How can documentation of circumstances outside of the firm's control be documented and communicated to mitigate these penalties, if those circumstances (i.e. requested documents not received from CSF in accordance with the prescribed timeline)?**

If outside of the firm's control, penalties will not be assessed. In the past 18 years of our existence, with 4 different CPA firms providing these services, CSF has never assessed any penalties. Our team in-house and at James Moore CPAs work diligently with and alongside the selected audit firm to ensure they have items requested in a timely fashion.

**Q40: How many journal entries were proposed by the previous auditors? Please provide a list of the proposed entries as a result of the prior year audit.**

No adjusting journal entries were proposed as a result of a prior year audit.

**Q41: Please describe the circumstances that led CareerSource Florida to seek proposals?**

Rotation of a new firm required by State law every five (5) years.

**Q42: How has your auditing experience been?**

CareerSource Florida has been pleased with its previous auditing experiences over the years.

**Q43: When was your last change in auditors? Do you have any formal policies concerning audit firm rotation, and if so, what are they?**

State policy requires CareerSource Florida to select a new firm every five (5) years.

**Q44: What circumstances would entice CareerSource Florida to change firms?**

See Q41 above.

**Q45: What specific recurring aspects of the audit prove to be a challenge each year?**

There are no significant recurring challenges of the audit.

**Q46: What aspects of your operations, if any, impact the timing of the audit?**

Straggling June vendor invoices can delay the fiscal year-end closing in early August. Audit report and audited financial statements must be completed by mid-September each year, as outlined in the RFP.

**Q47: Have any significant changes to the operations, personnel, financial position occurred during the year to be audited that may have an impact on the upcoming audit scope or timing?**

No.

**Q48: When will financial statements be given to the auditing firm?**

Final financial statements are usually provided to the auditing firm between August 1<sup>st</sup> and August 10<sup>th</sup>. However, a preliminary statement is provided to the auditing firm in May or June, and the firm usually begins fieldwork testing before the fiscal year ends to get a jumpstart on cash disbursements, grants testing, contracts testing, purchasing, and payroll testing, while awaiting final financial statement numbers to test.

**Q47: What is driving the timeline? Is September 15<sup>th</sup> the due date for draft financial statements or final drafts?**

September 15<sup>th</sup> is the due date for the final drafts from the selected firm, as indicated in the RFP. The State of Florida requires that a copy of the final documents be submitted around September 20<sup>th</sup> each year. This drives this timeline.