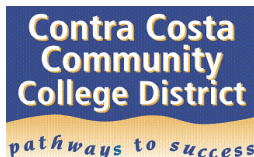


**Governing Board**

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Fernando Sandoval  
John E. Márquez  
Rebecca Barrett

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*Vice President*  
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Bryan Reece, Ph.D.

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Susan E. Lamb Diablo Valley College  
Robert Kratochvil, Ed.D. Los Medanos College

**Contra Costa Community College District Bid No. 4CD-84  
Independent Audit Service RFQ**

**ADDENDUM NO. 1**

**Question and Answer:**

1. Please provide the prior year audit fee for Contra Costa Community College District. Please provide the breakdown.

Answer: In 2019-20, our audit expenditures were \$191,050

2. Why is the District going out to bid for these services?

Answer: Board Policy 5007, External Audit of District Funds, states that an audit firm shall be employed for a period of not less than three consecutive years and no more than five consecutive years. 2020-21 audit is our fifth year with our current audit firm.

3. Has the District experienced any issues with the current audit firm? Are they invited to re-bid?

Answer: District did not have any issues with the current firm. Change in auditors is necessary per Board Policy 5007, which requires that District change auditors every 3 to 5 years.

4. If sharing with proposing firms, please provide the amount of fees paid for the audit of the year ended June 30, 2020.

Answer: \$191,050

5. Does the current auditor use a subcontractor for any audit work performed?

Answer: No

6. Who prepares the financial statements (including footnotes) and various supplemental schedules? Has much assistance typically has been provided by the audit firm with the preparation?

Answer: Audit firm prepares the financial statements (including footnotes). Information needed for the financials and the footnotes are provided by the District through schedule requests. Auditors also prepare District's conversion entries, which include entries related to pension liabilities, etc.

7. How many entries/adjustments have the auditors typically proposed in the past? What was the nature of such adjustments, if any?

Answer: No adjustments have been proposed during our time with the current auditors.

8. When do you anticipate the books and records being closed after year end?

Answer: Most funds are closed by the end of August. Financial Aid fund is closed by the end of September.

9. What has typically been the most challenging aspect(s) of the audit process?

Answer: We have not experienced a big challenge with our audits.

10. Do your current auditors leverage any of the work performed by the internal audit function? Or is internal audit currently providing a certain level of assistance with the external audit process?

Answer: Current external auditors schedule a call with the District's Internal Audit team each year to discuss the internal audit plan and related findings (if any). Other than that, District's Internal Audit team does not provide any assistance with the external audit.

11. Which service providers or specialists are utilized for critical financial reporting, accounting, or compliance functions?

Answer: Total Compensation Systems, Inc. prepares District's actuarial reports for its OPEB obligations. These reports are used to report OPEB liability on District's audited financial statements.

12. Are all of the student financial aid compliance records centrally located?

Answer: These records are stored at the Colleges.

13. Regarding GASB 87 for leases, which will become effective for FY22, has the District undertaken any planning in this area? If so, what impact do you anticipate?

Answer: District is putting together a list of operating lease agreements that are subject to GASB 87. District currently has copier leases only. Once ready, list will be reviewed with the auditors to determine if the total obligation reaches a level that require financial statement reporting.

14. In addition to the evaluation criteria noted in the RFP, are there any other factors that are particularly important or of interest to the District?

Answer: RFP outlines all factors that will be taken into account during paper screening.

15. Should the Statement of Qualification include the audit of the District's Measure A bond program?

Answer: District is working diligently to close the Measure A bond program by 6/30/2021.

16. Will you be able to provide access (copies or links) to the audit reports for the OPEB Trust Fund, Retirement Futuris Public Entity Investment Trust and the three college foundations?

Answer: Prior year audits for the OPEB Trust could be found using the following link: <https://www.4cd.edu/about/committees/rba/financial-statements/index.html>

College Foundations are independent separate legal entities and their audits are not currently available online. Copies of these audits could be provided upon request.

17. Approximately how many audit committee meetings are expected annually and is the auditor expected to attend?

Answer: Auditors and the District's Finance Team meet throughout the year to plan, kick-off and conclude the interim and the final audits. Auditors present the final audited financials to the District Board, Bond Oversight Committee and the College Foundation Boards.

18. Who is responsible for the foundations' accounting functions? District personnel or decentralized office?

Answer: Foundations currently have two independent contractors that perform their accounting functions.

19. Regarding Appendix C, are certificates of insurance required to be provided with the RFQ response, or only once our firm is selected?

Answer: Only if your firm is selected.

20. What is most valuable to the district in their relationship to the audit team?

Answer: District requests that an interim audit is performed sometime around April, which helps to get a head start on the current year audit.

In addition, we greatly value when auditors are able to provide guidance and information related to upcoming changes and/or current accounting topics that require attention. We prefer open communication throughout the year on such topics as needed.

All other facts and specifications to this bid remain unchanged. Be sure to acknowledge receipt of this addendum in the Signature Page (Section III) of the RFQ.

Rod Herrera  
Senior Buyer