



The City of Burlingame

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Request for Proposal - Professional Auditing Services

RFP Clarification
February 22, 2024

The following information is provided as clarification to formally submitted questions from proposers received from February 6, 2024 through February 22, 2024.

Question 1: What is the reason you are considering changing the auditor?

Response: The City is considering changing its Auditor to comply with lead audit partner rotation compliance after 6 consecutive years.

Question 2: Have there been any changes in your accounting system or software since last year?

Response: There have been no changes since last year.

Question 3: Have there been any major changes in staff turnaround in the past year?

Response: There have been no major changes to staff turnaround in the past year.

Question 4: Do you expect to have any retirement or replacement of key employees?

Response: The accounts payables technician retired in December 2023. Other than that retirement, the Finance Department does not expect any changes from key employees.

Question 5: Please list the staff members in finance and their years of experience with the organization at that position.

Response:

Finance Director – 3.5 yrs.

Financial Services Manager (accounting, treasury, audit) – 1.5 yrs.

Financial Services Manager (budget, payroll, utility billing) – 1 yr. (with the City 5 yrs.)

Senior Accountant – 0.5 yrs. (with the City 1.5 yrs.)

Accountant I – 1.5 yrs.

Accountant II – 4 months

Customer Service Supervisor – 2 yrs (with the City 20 yrs.)

Accounting Technician (treasury, AR) – 24 yrs.

Accounting Technician (payroll) – 1.5 yrs.

Accounting Assistant III (utility billing) – 6.5 yrs.

Accounting Assistant II (AP) – 3 months

Accounting Assistant I (utility billing) – 3 months

Office Assistant – 5 months

Question 6: How many audit adjusting entries did you have last year?

Response: There were no adjusting entries last year.

Question 7: Is the City Planning to issue any new debt?

Response: The City does not plan to issue new debt.

Question 8: Were there any material weaknesses, significant deficiencies or control deficiencies? If so, please provide relevant reports.

Response: There were no material weaknesses, significant deficiencies, or control deficiencies.

Question 9: How many weeks did your prior auditors require for your last audit? About how much time did the prior year auditors spend onsite to conduct their audit?

Response: The prior auditors required/anticipated 2 weeks for interim, 2 weeks for final, and 1 week for a single audit (if required). The audit was conducted virtually: 2 weeks for interim and 2 weeks for final. A single audit was not required.

Question 10: Are you open to remote or hybrid audits?

Response: The City is open to remote audits. Our preference is a remote audit.

Question 11: Are there any significant changes in operations expected for FY 2024-25?

Response: There are no significant changes in operations expected.

Question 12: Will there be any significant events in FY 2024-25?

Response: There are no significant events that the City is aware of at this time.

Question 13: Are the prior year auditors being invited to bid?

Response: Yes, the prior auditors are being invited to bid.

Question 14: Is there anything specific you are looking for in the successor auditors?

Response: The City expects the successor auditor to provide an experienced and skilled audit team, complete audits and financial statements on time, be respectful of staff's time, is flexible, responsive to questions, and readily available for technical assistance.

Question 15: What were the prior year fees? Please break down by service if possible.

Response: The City's prior year audit fees are proprietary information. Audit firms are requested to price independently.

Question 16: Are there any new services in this RFP that were not included in the prior year?

Response: There are no new services that were not included in the prior year.

Question 17: Could we please get a copy of Measure A, Measure W, and Measure I Agreed-Upon Procedures reports?

Response: view the following link for FY2023 Measure A, Measure W, and Measure I Agreed-Upon Procedures. The Single Audit report is not applicable.

https://www.burlingame.org/bid_detail_T14_R74.php

Question 18: How many staff did the audit team consist of in the past and when did the auditors come on site?

Response: Typically, the audit team consisted of 3 team members. The interim audit is performed in early June for two weeks and the final audit is performed in late September and early October for two weeks. Audit fieldwork is performed remotely.

Question 19: Is the scope of services requested the same as last year?

Response: Yes, the scope of services is the same as last year.

Question 20: When did the on-site fieldwork take place? (interim and year-end fieldwork)

Response: Please see response to question 18.

Question 21: What is the current year budget for auditing services?

Response: The City will not disclose budget information for audit services. Audit firms are requested to price independently.

Question 22: What are the things you liked and did not like about your current auditors?

Response: The City's auditors were flexible and patient regarding when we provided prepared-by-client items and were open to remote field work, highly technical, extremely responsive to questions, and delivered reports timely.

Question 23: What are the things you liked and did not like in the audit process followed by your current auditors?

Response: The audit process was seamless. The audit team respected our time, kept a running prepared-by-client list, which we updated on SharePoint rather than requesting information via numerous emails.

Question 24: Do you expect to have a Single Audit this year?

Response: Yes, the City anticipates a Single Audit for FY24.

Question 25: If the FY2023 Single Audit Report is not yet available,

How many major programs did you have last year?

Response: The City had 2 major programs in FY21-22

How much were the total federal expenditures last year?

Response: Federal expenditures totaled \$4.5 million in FY21-22 mainly because the final Covid-19 tranche was received and expended.

Question 26: The RFP is requesting State Controller's Report preparation services. Does this include both the City State Controller's Report as well as the Burlingame Financing Authority's State Controller's Report?

Response: The RFP request is to prepare the State Controller's Report only.

Question 27: What was the City's experience with remote auditing? Would you suggest any changes?

Response: Remote auditing was seamless. Auditors were flexible with meetings and communicated timely. Staff uploaded prepared-by-client information to SharePoint while the audit team kept a running checklist of requested items.

Question 28: Are the majority of supporting documentation maintained electronically (e.g. PDF), such as checks, vendor invoices, cash receipts, timecards, personnel files?

Response: Yes, the majority of supporting documentation is maintained electronically.

Question 29: Do you permit your auditors to access the City's financial software remotely?

Response: Yes, the City allows the audit team remote read-only access to the financial software.