

The following questions were submitted in response to the Washington County Outside Auditing Services RFQ. The County provides the following responses for the benefit of all prospective proposers:

1. Has the County encountered any significant or unusual difficulties over the past three years with the financial audit (with the current auditors, financial records, compliance with laws and regulations, etc.)?

No difficulties have occurred related to financial records or compliance with laws and regulations. The only issues encountered were related to the performance of the prior audit firm.

2. What has been the delay in issuing the ACFR in recent years? It appears the 2023 report was issued recently, and most 2024 reports for a typical municipality would have been issued by now.

The firm originally awarded the audit bid merged with another firm during the audit process, which caused a 6-7 month delay. Washington County was not a priority for the new firm following the merger.

3. What is the main driver of going out for bid for these services?

The firm previously awarded the contract informed the County of significant staff resignations and their inability to complete the 2024 audit in a timely manner. They recommended the County seek another firm.

4. Do you anticipate that the current audit firm will propose? If not, why?

The current audit firm has indicated they will not propose due to staffing limitations.

5. Does the County expect any significant turnover in key accounting positions during the contract term (retirement, vacancies, etc.)?

No significant turnover is expected, and there are no vacancies that would impact the audit.

6. Does the County anticipate any significant changes to its financial accounting software over the contract term?

No changes are anticipated.

7. What were the total audit fees, related to all services included within the RFQ, for the last three reporting periods?

- 2023: \$47,642 (excluding separate GASB consulting work)
- 2022: \$59,700 (total cost)

- 2021: \$43,500 (total cost)

8. What were the total hours worked by the auditors for the last three reporting periods?

Invoices received do not reflect hours worked; this information is not available.

9. Please provide the following items related to the fiscal year 2023 audit:

The County will provide the Management Letter / Internal Control Report and the list of auditor adjusting entries upon request.

10. Does the County use a portal to share work papers with its audit firm? If not, are you open to using such a tool?

A portal was used in the prior year audit. The County is open to using a portal again.

11. Does the County typically require assistance in adopting new GASB standards?

Typically, no. If needed, the County's external financial consultant would assist in the implementation of new GASB standards.

12. Does the County have a preference if the audit is performed onsite, remotely, or a hybrid approach?

A hybrid approach is preferred, as certain elements of the audit are more efficiently addressed in person.

13. Does the County expect the need to have a single audit for 2024 or going forward?

Yes, a single audit will be required for fiscal year 2024 and going forward.

14. What is the overall expected timeline for fieldwork, drafts, issuance, etc.?

The expected timeline is approximately 4-5 months from the start of fieldwork to issuance of the final reports. The consultant's conversion work for the 2024 audit is already completed.

15. Who is the financial consultant used to convert from cash to accrual basis?

Steven L. Crain.

Washington County appreciates the interest and participation of all firms in this RFQ process. Should additional questions arise, please submit them according to the deadlines and instructions provided in the RFQ.