



Lake Arrowhead Community Services District

Audit Services Request for Proposals (“RFP”) Questions and Clarifications

May 25, 2021

Q: How long have the current auditors been performing the audit?

A: 5 years

Q: Are the current auditors invited to bid on this RFP?

A: Yes

Q: Why is the District considering the change in auditor?

A: Contract term completed

Q: Is there read-only access to the accounting system remotely?

A: No

Q: Does the District have the capability to provide audit information electronically, to allow for remote fieldwork?

A: Yes

Q: What were the fees for the FY 19-20 audit and state controllers report?

A: \$20,500

Q: Any new debt issuances in the current fiscal year?

A: No

Q: Has the District entered into any major contracts, studies and/or started on any projects in the current fiscal year that were not reflected in the prior year financial statements?

A: The District will be engaging in a rate study in the later part of 2021 with new rates effective January 2022. The District has several CIP projects currently underway and will begin others as well per our posted budget.

Q: Is the District involved in any litigation not included in the prior year financial statements?

A: No

Q: Did the District have any layoffs, retirements, or replacements of key employees in the finance department due to COVID-19 or otherwise?

A: No

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

A: No

Q: Were there any major changes in the engagement requested in the RFP compared to last year's engagement?

A: No

Q: What were your prior year's contract fees for each of the past three years?

A: \$20,400, 20,500 and 20,500.

Q: How many journal entries were proposed by the prior auditor and how many findings did they issue?

A: None and none.

Q: Here there been any major changes in staff turnaround in the past year? Do you expect to have any retirement or replacement of key employees?

A: No and No.