

Questions and Answers

1. Generally how many weeks and how many audit staff are in the field during audit fieldwork?

Answer: It varies regarding weeks and staff from 1 to 3 audit staff

2. What were the previous year's audit fees?

Answer: Last year's audit fee was \$34,291

3. Were there any significant changes in operations in fiscal year 2021?

Answer: Due to covid, some staff are working from home, the City had 1 bond refunding and 1 bond issuance; city received \$1.067 million which is one-half of American Rescue Plan Funds allocated to Alamo Heights; water/sewer rate increase; grant from Texas Dept. of Emergency Department being processed for about \$39,000; primary payroll function being assigned to H.R. Manager in July 2021; no purchase orders required unless vendor requires a P.O., and only 1 signature required on A.P. checks.

4. Have there been any changes in key financial management positions in the last two years?

Answer: A new Assistant City Manager position was fulfilled in August 2021, the planner was promoted to the position of Community Development Director, and the City Secretary position was filled in Oct 2020.

5. Have there been any management letters issued in the last two years noting any controls deficiencies, fraud, noncompliance, etc.?

Answer: 2 years ago, some purchase orders were issued on the date of invoice.

6. How many audit adjustments were there in the last audited fiscal year and what were the nature of these audit adjustments?

Answer: 19 ajes that are customary from the audit such as property tax revenue/liability, pension requirements, reporting requirements, etc.

7. How long have you been with your current audit firm?

Answer: 14 years

8. In what ways can your previous audit experience be improved?

Answer: Refer to the RFQ

9. We are working on our response to the RFQ for auditing services and I was wondering if you will be requiring a fee proposal for this RFQ. I did not see a fee requirement listed in the RFQ but I did notice that the attachment H mentions “prices contained in this proposal have been carefully reviewed”. I just want to make sure our proposal is complete.

Answer: Please include the prices and in a separate sealed envelope.

10. Any frauds?

Answer: No

11. How many adjusting journal entries?

Answer: 19

12. Do you want the Attorney’s comments included in indemnification?

Answer: Yes, include your attorney’s comments within the proposal.

13. Do you expect a single audit?

Answer: No, the City is not expecting one; however, the City did receive \$39,000 on reimbursements on the ice storm and American Rescue Plan Funds of \$1.067 million but have not spent any funds yet. Please separate audit and single audit fees.

14. Will GASB 87 have an impact on leases and how many leases you have?

Answer: The City does not expect a big impact but we are aware of a few leases.

15. Do you want the fees for all five years?

Answer: Yes, please provide the fees for all five years the best you can and disclose fees for a single audit. The auditor will handle bond fees and property tax adjustment. The auditor will also look at municipal court fines and make adjustments. Auditors will also usually make entries for Texas Municipal Retirement System (TMRS).