

March 13, 2025

Request for Proposal Clarification
25.03 Annual Financial Audit Services

Addendum 1

QUESTIONS:

1. What are the prior audit fees with detail separating out one-time fees for GASB implementation or similar. Single audit fees as well. What are the reasons for changing any auditor? Anything that the new auditor could show to improve over prior auditor?
Answer: Audit fees totaled \$60,980 with no breakout. Our Board of Education asked for an RFP process to be conducted.
2. If you could change one thing about the prior year's audit process, what would it be?
Answer: Nothing of note.
3. How many individuals did the prior auditors have on-site and for how long?
Answer: The previous audit was conducted by 4-5 individuals with one week for fieldwork after a couple of days of preliminary work during the summer.
4. Did the prior auditors perform preliminary audit work, including internal controls testing and compliance test work before final fieldwork? Is this something you are interested in?
Answer: Yes, preliminary audit work has occurred in some previous years. Yes, we would like preliminary fieldwork to be completed.
5. How many journal entries were made by the auditors during the audit process?
Answer: Last year, we proposed three journal entries during the audit process. No other journal entries were made.
6. Anticipated date the financial account reconciliations and schedule of federal awards will be ready for audit?
Answer: Past practice has been to have these items prepared in early September.
7. Anticipated date when Annual Comprehensive Financial Report will be available?
Answer: The 2024-25 ACFR should be completed by November 1.
8. Anticipated audit field work dates?
Answer: Historically, the audit field work dates would be the third week of September.
9. Any new bonds/capital project funds planned for the next 5 years?
Answer: It is possible.
10. Can you please provide a copy of FY24 audited statements?
Answer: These statements can be found at <https://www.rochester.k12.mi.us/about-us/transparency-reporting>.
11. Why are you making a change in audit firms?
Answer: Our Board of Education asked for an RFP process to be conducted.

12. Is the existing firm being asked to propose?
Answer: We are hopeful that any interested firm would propose including the existing audit firm.
13. Did you have any disagreements with existing firm over accounting matters, findings, journal entries, disclosures during FY 2024 audit?
Answer: No.
14. Are you aware of any fraud that has occurred for the period under audit? If yes, please explain.
Answer: No.
15. Are you aware of any litigation that you are subject to for the period under audit? If yes, please explain.
Answer: Yes, we are aware of two different lawsuits.
16. Does management prepare the financial statements and any supplemental schedules?
Answer: The audit firm has provided the financial statements and supplemental schedules which are reviewed by the district.
17. What consulting needs do you anticipate you will need that that you expect from the CPA firm?
Answer: None at this time.
18. What general ledger software are you using?
Answer: Powerschool Business Plus.
19. What financial information does the Finance Committee/Board receive? How frequently do they receive?
Answer: The Superintendent's Business & Operations Committee (SBOC) meets every other month. At each meeting, a financial report is given.
20. Were there any audit adjusting journal entries for 6/30/24? If yes, please provide copy.
Answer: Please see attachment.
21. How long has the current CFO and controller and/or main audit contact person been employed with Rochester Community Schools? a. Are any of these individuals CPAs?
Answer: The Assistant Superintendent of Business Operations has worked for Rochester Community Schools since April 2016. He is currently a CPA and has served for three years in his current role. The Director of Financial Services has worked for Rochester Community Schools since January 2023. She is not a CPA, but has served as CFO for two previous school districts.
22. When will you be ready to start the 2025 audit?
Answer: We expect to be ready in early September.
23. List any other reports or attest projects you expect the CPA firm to provide.
Answer: None at this time.
24. Any significant new contracts entered into in FY 2025? If yes, describe.
Answer: The district signed a contract with Centegix for its safety platform .
25. We generally hold a pre and post audit committee meeting. Is this something you will want?
Answer: Historically, the SAS 99 meeting has occurred during onsite fieldwork. The results are presented at a Board of Education regular meeting.
26. Do you want CPA firm to be present at your office while conducting the audit?
Answer: Yes, we have found that this works well for us; however, we are not opposed to a virtual audit.

END ADDENDUM

Client: ROCHESTER COMMUNITY SCHOOLS
Engagement: 2024 Audit
Current Period: 06/30/2024
Workpaper: adjusting journal entries

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect	Workpaper ID
Client-01						
to reclass fleet insurance						
110-271-0000-0000-000-0445-53930000	Fleet Insurance		86,599.00		0.00	
110-261-0000-0000-000-0440-53910000	Property & General Liability		0.00	86,599.00		
Total			86,599.00	86,599.00	0.00	
client-02						
reclass to different expense acct						
230-261-0000-0000-030-0408-56461000	Repl Cell Phones/Equipment		0.00	125.00		
230-261-0000-0000-030-0408-53190000	Other Professional & Tech Serv		125.00	0.00		
Total			125.00	125.00	0.00	
Client-03						
To reclass proportionate share						
110-371-0320-9051-000-0455-51280648	Speech/Language Therapist Sal		0.00	1,750.00		
110-371-0320-9051-000-0455-52820648	Retire Contr Grnt-Current YR		0.00	375.00		
110-371-0320-9051-000-0455-52822648	Retire Contr Grnt-CY UAAL		0.00	146.00		
110-371-0320-9051-000-0455-52830648	Soc Secrty Grnt-Current YR		0.00	134.00		
110-371-0320-9011-000-0455-51280648	Speech/Language Therapist Sal		1,750.00	0.00		
110-371-0320-9011-000-0455-52820648	Retire Contr Grnt-Current YR		375.00	0.00		
110-371-0320-9011-000-0455-52822648	Retire Contr Grnt-CY UAAL		146.00	0.00		
110-371-0320-9011-000-0455-52830648	Soc Secrty Grnt-Current YR		134.00	0.00		
110-000-0000-9051-000-0455-44171648	Gen Fd IDEA PK PS		2,405.00	0.00		
110-000-0000-9011-000-0455-44171648	Gen Fd IDEA FT PS		0.00	2,405.00		
110-000-0000-0000-000-0000-11410000	Due From Other Gov Units		0.00	2,405.00		
110-000-0000-0000-000-0000-11410000	Due From Other Gov Units		2,405.00	0.00		
Total			7,215.00	7,215.00	0.00	
GRAND TOTAL			93,939.00	93,939.00	0.00	

  10/15/24