



**Lewis and Clark County**  
**Grants and Purchasing Department**  
316 N Park Ave., Rm. 225, Helena, MT 59623  
406-447-8383 | [grants@lccountymt.gov](mailto:grants@lccountymt.gov)

**Request for Proposals Addendum**  
**Audit Services RFP**  
**Addendum #1: Questions & Responses**

1. Copy of latest financial report and agreed-upon procedures.
  - Please find attached the latest Annual comprehensive Financial Report (see ACFR Final 12.20.23.pdf) and the reports associated with the agreed upon procedures. Lewis and Clark County's Annual Comprehensive Financial Reports dating back to 2006 can be found at <https://www.lccountymt.gov/Government/Admin-Finance> under the *Accounting* tab.
2. Number of people in accounting department?
  - Four full-time employees (Accounting Manager, Accounting Coordinator, and two Accounting Clerks) and one part-time employee (Financial Analyst).
3. Accounting software used?
  - Central Square AS400 (Naviline). GMBA, Purchasing, Cash Receipting, and Asset Management modules.
4. Purpose of requesting an audit bid?
  - Local governments are mandated by law to have a financial and Single Audit. Contract from prior auditor could not be extended.
5. Why not using prior auditor?
  - Anderson ZurMuehlen was the County's prior auditor. They merged with KCoe Isom, LLP, dba Pinion. They are no longer providing audit services to local governments.
6. Fees paid for these services for the past two years reports.
  - FY22 - \$53,000; FY23 - \$55,500
7. Any large changes in activity from the prior year audited?
  - No, but the County will be going live with new finance system (Central Square Finance Enterprise) in FY25.
8. Have there been any significant changes in personnel within the Finance Department?
  - New Finance Officer as of February 2023. The previous CFO had been at the County for 20+ years.
9. Is the County open to having a portion of the audit done remotely?
  - Yes. The majority of the audit has been done remotely the past few years. Most of the records are available electronically. There are a couple



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of exceptions that are hard to scan such as the fixed asset binders. That portion of the audit has historically had to be done onsite. Accounting Manager currently works remotely but is available by Teams/Zoom for meetings. All accounting staff is knowledgeable about providing electronic documentation.

10. Was there anything regarding the audit process that the County would like to have changed or improved going forward?
  - We have tried various methods of testing departments for internal controls including surprise cash counts and reconciliations. Many departments are decentralized, and it is helpful for us to enforce controls when the auditors can assist. Having the results of these tests included in the written communication to management would be very helpful, as well as follow up in the next year. Even when these have been tested, there was never anything in the way of comments presented. Auditor comments on how to improve processes or strengthen internal controls would also be appreciated.
11. Has the County historically prepared the ACFR or has that been done by the auditor?
  - County has always prepared the ACFR. It was added as a contingency into the RFP in the event current staff could not get it completed.
12. What were the prior year audit fees for all audit services?
  - \$55,000 for FY23 included financial and Single Audit.
13. Why is the County going out for RFP for auditing services?
  - Contract with current auditor has expired and could not be extended.
14. Is the current auditor allowed to bid?
  - Current auditor is no longer doing government audits and will not be bidding.
15. Will the proposal be accepted via email or is it a requirement to send it through the mail?
  - Proposals will not be accepted via email. Per the RFP, proposals must be submitted to the Lewis and Clark County Commissioners, 316 N. Park Ave., Room 345, Helena, MT 59623.
16. Were there any journal entries discovered by the auditors during the 2023 audit process?
  - See schedule of findings. Adjustment was made in final statements.
17. How many people and for how many days were the auditors on County premises for the field work procedures of the audit?



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- 3-4 auditors were onsite for approximately 4 days, but most of the audit was done remotely. All but a few documentation records are electronic and we can try to be flexible on the others.
18. Do you have a preference for in-person, remote, or hybrid fieldwork?
- Hybrid is ideal. Accounting Manager works remotely, so any meetings have to be Teams or Zoom. The fixed assets are typically audited on site because the binders are too cumbersome to scan. Mostly everything else is available electronically.
19. On page 4 of the RFP it has a deadline of November 30 for final review and reports for the County's ACFR. In reviewing the most recent three years of ACFR's the auditor's opinion was in December for each year. Is the 11/30 deadline reasonable, knowing that recent audits have not met that requirement?
- This is preference by management because there are several report deadlines of 12.31 for federal and state compliance that must be met after the audit is issued. The current auditors seemed to have issues every year with getting it back later and later, which puts us in a bind for the year end reporting.
20. What is the County's historical experience in exchanging information for the audit? Do you utilize a secure website for document exchange, a software solution, shared County drives with the auditor, or another solution?
- Auditors had a portal for uploading documents securely.
21. Does the County use a software solution for calculating the impact of GASB 87 and/or 96? If not, what was the strategy to calculate the lease/SBITA liabilities?
- We used Debtbook for FY23. Leases were calculated manually in FY22, but we intend to use Debtbook going forward.
22. Does the County expect the auditor to assist with the calculation and reporting of any full accrual liabilities such as pensions and OPEB?
- Pension liability is calculated by MPERA and OPEB is calculated by our actuaries at Actuaries Northwest. We review these for accuracy, but don't change the information they provide. MPERA posts the reports on their website by around July or August each year and the OPEB calculation is done bi-annually with a rollover provided for the in between years.
23. Does the County provide the auditor read-only access to the accounting software?
- Our accounting software is antiquated and does not really have this option, although Debtbook does. Our auditors have relied on reports we run from the system for documentation. These can be provided in PDF or Excel format in most cases.



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24. Is there any anticipation of significant technological changes in the next few years?
  - Yes. We are planning to go live with a new finance system July 1, 2025. We are transitioning to CentralSquare Finance Enterprise.
25. Outside of the audit process, what does the County find/define value from its auditors?
  - GASB guidance is ever changing as well as changes to Uniform Guidance. We very much appreciate having our auditors weigh in and offer guidance on new implementations, as they are often very complex and hard to understand.
26. Were there any major audit or accounting issues identified during the most recent audit? Any anticipated ones for 2024?
  - N/A
27. What part of the audit process would the County like to improve over the past audits?
  - We would like to see more comments on improving processes and internal controls from our auditors. We rarely get comments about anything, but there are always things we could be doing better.
28. What transition issues would the County be concerned about if the audit is awarded to new auditors?
  - We have worked with our current auditors for many years so it will be a bit of a learning experience for both sides as far as expectations.
29. Have there been any significant changes in key staff in the past year that would affect the 2024 audit?
  - New CFO in February 2023. The prior CFO had been with the County 20+ years.
30. Assuming each bidder's proposed fees are equal, what is the next most important thing to the County?
  - Open communication from the auditors and willingness to assist. In the last couple of years, it seemed there was a shift where the auditors gave us findings when in prior years, they worked with us to correct and helped make sure our statements were correct.
31. What was the breakdown of total fees for 2021, 2022 and 2023? This would include audit, single audit, and any other charges.
  - The total charges included both the financial and Single Audit. FY23 - \$55,000; FY22 - \$53,000; FY21 - \$51,000.



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32. Does the County maintain an analysis for any new leases and recorded the appropriate adjustments related to any new and existing leases?
  - Yes. Lease payments are coded to a specific expense line item and new agreements are analyzed for materiality. In FY23 we implemented Debtbook for tracking leases and SBITAs. All PDFs and journal entries are saved there for review and we can give auditor access.
33. Does the County have any Subscription Based Technology Arrangements and are they applicable to GASB 96?
  - Yes. Again, using Debtbook.
34. Have there been any significant operational/personnel changes to the finance staff recently?
  - Yes. New Finance Officer in February 2023. Previous CFO was with the County 20+ years.
35. Can you describe the accounting staff experience in local governmental accounting and how long they have been at the County?
  - Accounting Manager, 7 years at County plus 2 years as an auditor. Financial Coordinator, 25 years at County (was previous Accounting Manager) and several more years at State of MT. Accounting Coordinator, 10 years at County. Accounting Clerk II, 2 years at County. County Treasurer, 30 years at County, mostly in Accounting Department.
36. Have you issued or refunded any debt since your last audit report?
  - No. No new debt issued besides Intercap loans.
37. When will the finalized trial balance be prepared and available to the auditors?
  - We provide a spreadsheet of preliminary balances by around a week before fieldwork begins. Because our system is on a cash basis and statements must include accruals, we don't have the ability to generate a "trial balance" from our system. Please see attached example.
38. Does the County have the flexibility in conducting meetings using video conference technology? If any meeting will be required to be in person could you identify which ones.
  - Yes. Accounting Manager works remotely so is only available by Teams or Zoom. Everyone in Accounting/Finance has capability to meet this way.
39. Does the County have preference to performing the audit entirely in person, remote or hybrid fieldwork?
  - The audit has been completed mostly remote the last few years. All documentation but a couple of exceptions is available electronically. Our fixed asset binders are cumbersome to scan and have typically been reviewed on site, but almost everything else can be scanned and uploaded to a portal.



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40. The RFP indicates the County prepares a draft of the ACFR but do you rely on the auditor to help prepare the GASB 34 conversion entries (or any other entries)? Do you typically require assistance with the statistical schedules? Can you provide us with any audit adjustments from previous years?
  - We have prepared our own ACFR and closing entries as well as SEFA and statistical section. It was included in the RFP as contingency planning in the event the current staff would not be able to complete it. Please see schedule of findings for audit adjustment in FY23.
41. What amount was paid on the prior year audit fee? Beyond the ACFR audit fee does the County pay the auditor for any other services? If so, what are they and are they reoccurring?
  - FY23 Audit was \$55,000. We did not pay the auditor for any additional services.
42. Did the County have a management letter (internal controls) for its most recent audit? If so, can you provide a copy?
  - See attached.
43. Do you have any plans on changing from CentralSquare HTE software during the next 5 years?
  - Yes. We are in the process of converting to CentralSquare Finance Enterprise with a go live date of July 1, 2025.