

**FOUR RIVERS SANITATION AUTHORITY  
ADDENDUM NO. 1  
TO THE REQUEST FOR PROPOSALS #21-216  
AUDIT SERVICES**

**December 6, 2021**

**AD1-1 Notice**

This Addendum No. 1, dated December 6, 2021, to the Request for Proposals: Audit Services, supersedes all contrary and conflicting information in the above-mentioned instructions, specifications, and contract documents which are hereby supplemented or revised in certain particulars as follows:

**AD1-2 General Information**

The Authority submits Addendum No. 1 to answer questions.

**AD1-3 Questions & Answers**

**Question 1:** Is the District planning for any significant changes in the coming years (new bond issuances, bond refundings, significant capital projects, etc.)?

**Answer 1:** We may be looking at a bond refunding in FY23. We are in the initial years of a ten-year \$225 million dollar capital project for our nutrient removal facility plan upgrade.

**Question 2:** How long were the previous auditors at your office for preliminary work and audit fieldwork? How many auditors were typically on-site?

**Answer 2:** Due to COVID restrictions, preliminary field work was completed remotely for the FY21 audit. Final fieldwork required one auditor on two days.

**Question 3:** How many journal entries were recorded as a result of the most recent audit?

**Answer 3:** Approximately thirty-five (35) journal entries are prepared internally for fiscal year close. Four adjusting journal entries were recorded at the conclusion of the audit.

**Question 4:** As part of the audit, we are required to gain an understanding of the entity's internal controls so that we may assess the operating effectiveness and efficiency of the controls over significant process cycles. Does the District have documentation of its processes and controls over significant process cycles (payroll, cash disbursements, cash receipts)?

**Answer 4:** Yes

**Question 5:** Have there been any significant changes to internal controls, processes, personnel involved, etc. since the last audit?

**Answer 5:** No. We are implementing a new ERP in FY23, which may change some internal controls and processes.

**Question 6:** Does the District expect to expend in excess of \$750,000 of federal expenditures from current and new federal grant programs?

**Answer 6:** Unknown at this time. The Authority receives loan funds through the IEPA Clean Water Revolving Fund program. The amounts disbursed may come from recycled funds, federal funds, state match or bond proceeds.

**Question 7:** If so, does District prepare the annual SEFA and a reconciliation to the general ledger?

**Answer 7:** Our last single audit was required in FY19, and our auditors prepared the SEFA.

**Question 8:** Is the District willing to share the amount that was paid for the previous audit of the District? Were there any additional fees beyond those listed here?

**Answer 8:** The Authority paid \$23,700 for the FY21 audit. There were no additional services provided.

**Question 9:** Does the District prefer remote or in person audit fieldwork?

**Answer 9:** The Authority would prefer in person or hybrid during the first year. We do not currently have a document imaging system integrated with our financial system, but are looking to implement in the next fiscal year. The integration will enhance our ability to electronically transfer information for remote requests.

Proposer shall initial the bottom of this Addendum No. 1, and include it with their sealed proposal.

\_\_\_\_\_ Proposer's Initials