

Auditing Services RFP

Addendum #2

Responses to Questions

QUESTION 1:

Approximately how long was your previous audit firm onsite performing fieldwork and with how many staff?

ANSWER:

Interim audit work was performed over 2 weeks in mid-May. Year-end audit work was performed between August 1 and September 11 consisting of 1 partner, 2 senior managers, and a minimum of 4 additional auditors. Audit on-site fieldwork consisted of 2 weeks.

QUESTION 2:

Please indicate any significant involvement of external management experts (actuaries, consultants, fiscal agents, etc.) with roles in the internal control or financial reporting functions. Have there been any delays in prior audits due to coordination between the management experts and your independent auditor?

ANSWER:

External audit work involvement with financial adviser, legal firms, State Comptroller and Treasurer offices, and venue management companies. No delays in prior audits due to coordination between management experts and independent auditor. An untimely filed audit (90 days after fiscal year-end) is not acceptable.

QUESTION 3:

Have there been any disagreements between management and your independent auditor during the prior three engagements?

ANSWER:

No.

QUESTION 4:

Please provide the fees paid for services for each task for the past three years and indicate if there were any billings above contracted amounts for out-of-scope or additional services not contemplated at contract award.

ANSWER:

See Addendum #1. There were no billings above contracted amounts for out-of-scope or additional services not contemplated at contract award.

QUESTION 5:

Would it be possible to provide us with the prior year deliverable for tasks 2 through 10?

ANSWER:

See Addendum #1.

QUESTION 6:

Is there a deadline for the letter of intent?

ANSWER:

No, letter of intent is optional.

QUESTION 7:

Could you please provide us with a copy of the following deliverables?

ANSWERS:

- a. Convention Center special purpose FS audit **See Addendum #1.**
- b. Parking special purpose FS audit **See Addendum #1.**
- c. XL Center special purpose FS audit **See Addendum #1.**
- d. Stadium at Rentschler Field FS audit **See Addendum #1.**
- e. Compliance Audit – CRDA **See Addendum #1.**
- f. Compliance Audit Certified Payroll – Convention Center **See Addendum #1. Population of 85 full-time and 150 part-time employees.**
- g. Compliance Audit Certified Payroll – CRDA Parking **See Addendum #1. Population of 55 full-time and 55 part-time employees.**
- h. Compliance Audit Certified Payroll – XL Center **See Addendum #1. Population of 42 full-time and 750 part-time employees.**
- i. Compliance Audit – Rentschler Field **See Addendum #1. Population of 4 full-time and 8 part-time employees.**

QUESTION 8:

Was a federal or a state single audit conducted for FY 2023? If yes, could you provide us with a copy of the report(s)?

ANSWER:

Federal single audit was conducted for FY2023. The Report is posted on website, crdact.net.

QUESTION 9:

Does the Authority expect to have a Federal Single Audit for FY 2024?

ANSWER:

Yes.

QUESTION 10:

Does the Authority expect to have a State Single Audit for FY 2024?

ANSWER:

No.

QUESTION 11:

How are you calculating your lease arrangements for compliance with GASB 87 and SBITAs for GASB 96? In house? Contract with a vendor?

ANSWER:

In-house schedule.

QUESTION 12:

Who prepares the financial statements? Does the audit firm draft each FS or does the District/related organizations prepare?

ANSWER:

The Authority prepares the draft CRDA financial statements, MD&A, and the majority of the Notes with the exception of Notes 8 and 9 which the auditor prepares with information provided by the State Comptroller's office. The Stadium financial statements do not include an MD&A. Auditors assist in the final preparation and review of all CRDA financial statements, MD&A, and Notes. Auditors prepare venue-related contractual-based financial statements.

QUESTION 13:

What was the total audit fee paid to Cohn Reznick for FY 2023? Including any extra billings.

ANSWER:

See Addendum #1.

QUESTION 14:

How many audit adjustments were made during FY 2023?

ANSWER:

CRDA recorded 11 audit adjustments/reclassifications. Venues recorded 14 audit adjustments/reclassifications.

QUESTION 15:

Was a management letter issued in conjunction with the FY 2023 audit? If yes, could you please provide a copy?

ANSWER:

No.

QUESTION 16:

Is audit fieldwork conducted in person or virtually or a hybrid?

ANSWER:

Hybrid. See answer to Question #1

QUESTION 17:

Were there any audit adjustments? If so, how many and what were the adjustments?

ANSWER:

See answer to Question #14. CRDA recorded 7 account reclassification entries, 2 entries regarding new GASBs, and 2 entries adjusting accruals. Venues recorded 10 account reclassification entries, 2 entries regarding new GASBs, and 2 entries adjusting accruals.

QUESTION 18:

What accounting software is used?

ANSWER:

CRDA uses Sage Intacct 2023 R3 for its General Ledger software and Sage Fixed Assets Premier v.2019.1. Venues use Sage Intacct 2023 R3, Sage 300, and Sage 100 v.2018 for their General Ledger software. Third-party reporting software includes Ticketmaster, ADP, Ceridian Dayforce HCM, Zephyre Parking Management Solution, and ProCentral cash receipts system.

QUESTION 19:

What would you like to receive from the audit process that you currently do not feel you are receiving currently.

ANSWER:

Nothing additional.

QUESTION 20:

Are there any anticipated changes to the audit process this year as compared to the prior year?

ANSWER:

No.

QUESTION 21:

Were there fees or any additional services? If so, for what services and what were the fees?

ANSWER:

No.

QUESTION 22:

Who prepares the financial statements and the related footnotes?

ANSWER:

See answer to Question #12.

QUESTION 23:

Tasks 7, 8 and 9 do not have prior year deliverables. How do you want this to be priced? Was this service performed last year by your audit firm? Should this be broken out separately in the fee exhibit? Who is the user of the report for these tasks (who is the report addressed to)?

ANSWER:

See Addendum #1 and answer to Question #7. Tasks to be priced separately by venue in the fee exhibit. Tasks 7, 8, and 9 not performed in FY2023, but occur in one year per venue over a three-year period. Reports addressed to the CRDA Board of Directors and Secretary of CT Office of Policy and Management.

QUESTION 24:

When was the last time you had a Federal Single Audit?

ANSWER:

FY2023

QUESTION 25:

When was the last time you had a State Single Audit?

ANSWER:

CRDA has not had to file this audit.

QUESTION 26:

How many meetings are there with the board and/or audit committee for all tasks?

ANSWER:

Auditors required attendance at the September Board meeting annually.

QUESTION 27:

Do you have a preference for how much time is spent auditing on-site versus remote?

ANSWER:

See answer to Questions #1 and #16. No preference. Some CRDA and venue reports are only available through hard-copy.

QUESTION 28:

Are all accounting records for each entity maintained in a central location?

ANSWER:

CRDA and venue accounting records are maintained at each entity's location. Some accounting supporting functions performed at venue management company headquarters with reporting available at entity's location.