

1. Why are you going out for bid?

Request for Proposals for auditing services are issued every five years. A contract is executed for one year with an option to renew the contract for each of the next four years.

2. Were there any disputes with the prior auditor (Finley & Cook)? If so, please describe.

No, there have never been any disputes with the previous auditors.

3. Is the prior auditor being asked to bid? If not, why not?

Yes, we expect the prior auditor to bid.

4. How many others do you expect to propose on the RFP?

At this time, we cannot determine how many proposals can be expected.

5. What is the amount of time the prior auditors spent on-site for the audit, and with how many auditors present?

The previous firm had two staff members for approximately three and a half weeks on site.

6. What is the amount of the prior year audit fee, if available? For fiscal year ended June 30, 2012 and 2011?

The total cost of auditing services for the fiscal year ended June 30, 2011 was \$26,180 and fiscal year ended June 30, 2012 was \$27,750. These fees were inclusive of all out-of-pocket expenses including travel, report production, etc.

7. What is the type of accounting system in use?

Financial Statements are combined through a spreadsheet application from information recorded in a Sage 50 Accounting software and PeopleSoft (an Oracle based software).

8. What is the number of journal entries made as part of the prior year audit?

There were no audit adjusting entries for FY12.

9. It does not appear that the Fund receives Federal funds, but just to verify – Will the audit involve a single audit during the 2013 audit or would one ever be expected in the future?

No, a single audit will not be required and we do not expect a requirement for a single audit in the future.

10. Are there significant changes in operations or balances since last year?

No, there are no significant changes in operations or balances since last year.

11. Was a management letter issued? If so, were the issues resolved?

Yes, however there were no issues.

12. Is the general ledger maintained on a cash or accrual basis? If cash, who does the conversion to the accrual basis?

It is maintained on cash basis. Combining entries recognize all accruals for financial statement purposes and are made by the Treasurer's staff.

13. Do you have any bookkeeping services provided by external sources?

No, we do not contract for any bookkeeping services.

14. Is there any fraud or any unusual situations that we need to be aware of? If yes, please describe.

No, there is no known fraud or any unusual situations you need to know.

15. Per the RFP, the audit must be completed by September 30. When will you be ready for the audit to begin? Date expected to be ready for planning to be performed. Date expected to be ready for audit fieldwork.

Staff will be available for planning the audit on July 1, 2013 and fieldwork would be anticipated to begin around the first of August.

16. What were the audit hours for FY12 and FY11?

This information is unavailable since the audit services were contracted on a flat annual fee basis.

17. When did the interim work occur for the audit? How many auditors were out in the field during interim and for how many days?

Prior year's interim work was performed during the month of July after fiscal year end. There were 2 auditors in the field for about a week.

18. When did final fieldwork occur for the audit? How many auditors were out in the field during final fieldwork and for how many days?

The final field work was completed as close to August 30 as possible and involved two staff members for approximately two and a half weeks on site.

19. If the Oklahoma Tobacco Settlement Endowment Trust could change one thing about the audit process, what would that be?

Currently we don't see any need for changes in the audit process.

20. Assuming each bidders proposed fees are equal, what is the next most important thing to you?

We value experience in Government Audits including the experience of assigned audit staff and the experience in the auditing of Alternative Investments.

21. What transition issues would the County be concerned about if the audit is awarded to new auditors?

The new auditor's ability to meet the statutory report deadline of September 30, 2013 would need to be considered.