

CITY OF WEST HOLLYWOOD
QUESTIONS AND ANSWERS: 4-4-14

#	Professional Audit Services Questions	Answers
1	How long has LSL been performing the audit and are they invited to bid again?	The City has contracted Lance Soll & Lunghard, LLP (LSL) since Fiscal Year 1996-97. Yes, LSL is invited to bid again.
2	How many journal entries did LSL propose for 6/30/13?	For Fiscal Year 2012-13, the total audit adjustments proposed by LSL was about fifteen (15) (pertaining mainly to reclasses of the long-term debt of the Successor Agency).
3	Were there any findings/observations noted for the 6/30/13?	There were no findings during the FY2012-13.
4	How many major programs were tested for the Single Audit for 6/30/13?	The City's federal awards expenditure were less than \$500,000 during FY2012-13, therefore, there was no audit required. During FY2011-12, there was one major program tested for Single Audit.
5	How many auditors did LSL have on-site and for how many days/weeks for interim and year-end fieldwork?	On the average, the total auditors on-site during both interim and year-end is around 4 auditors and the fieldwork is usually 5 days.
6	How many off-site cash collection locations are there?	There are two off-site cash collections (two parks) in which City staff collects monies.
7	Is City hall open every Friday?	Yes, City hall is open every Friday. However, some staff are off on alternating Fridays.
8	What were the previous auditor's hours?	We are not provided with total auditor hours. However, on the average, during interim and year-end, auditors are on-site for a week.
9	May we obtain a copy of the prior year's financial report?	The City of West Hollywood CAFR for the fiscal year June 30, 2013 is available for review on the City's website at http://www.weho.org/financials .
10	Are there any special qualities you are looking for in the firm you select?	There will be four (4) key considerations in the firm that will be selected which includes a.) Expertise and experience with similar projects; b.) Firm's qualifications related to municipal audits; c.) Presented approach and completeness of proposal; and d.) Fee/price.
11	Are there any new audit services requested in this RFP that were not included in the prior year fees?	There are no new audit services requested in this RFP. The audit services requested in this RFP are the same with prior years. The City may have special projects; such as TOT audits on occasion.
12	What is the reason that the City is considering changing the auditor?	An RFP was issued in order to ensure that audit services along with the related costs are the best available.
13	Do you expect to have any retirement or replacement of key employees?	The City is currently recruiting for a Revenue Management Manager due to a recent retirement. In addition, the current Accounting Services Manager joined the City at the end of December 2012 and a new Accountant position was added to the Department in 2013.

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14	What were the things you like and didn't like about your current auditors?	Lance Soll & Lunghard, LLP, has done a great job for the City of West Hollywood in the sixteen years that the firm has been the City's auditor. In order to ensure that audit services along with the related costs are the best available, an RFP was issued.
15	What were the things you liked and didn't like in the audit process followed by your current auditors?	The City likes when information is requested in advance, when auditors do not ask for the same item, when auditors are well-rounded and knowledgeable with governmental accounting standards and processes, and when they provide continuity with the staff assigned to the city. Overall, the audit process has been smooth.
16	Is the current firm allowed to bid or is it the intent of the City to change audit firms?	Yes, the current firm is allowed to bid. It is the intent of the City to make an award in the best interest of the City after all factors as discussed in the RFP have been evaluated.
17	Please provide fees paid for the City audit and related reports, gann limit review, Single audit and related reports and State Controller's report.	Total fees in the FY12-13 contract were \$82,315: a.) City of West Hollywood Audit \$51,809; b.) Redevelopment Agency Audit \$7,416; c.) Single Audit \$3,090; d.) Other Services \$20,000
18	Please provide copy of the Single Audit reports, management letters (if applicable) and the Communications to those in Charge of Governance (SAS 114) for the last two years?	Repos will be emailed separately as an Attachment to the Firm whom requested it.
19	How many adjustments did the City propose after the auditors started their fieldwork?	On average, the total adjustments that the City proposed after the auditors had started their fieldwork was 15-30 entries, including GASB34 entries and entries related to a problem that arose in the accounts payable module.
20	Does the City charge overhead costs to federal programs?	No. The City does not charge overhead costs to federal programs.
21	Does the City expect the same grants for the FY2014 compared to FY2013?	There will be no significant changes in the grants this year compared to last year. However, some programs were in the early stages last year and if approved, there could be additional grants.
22	Did you have any disagreements regarding financial matters with the prior audit firm?	There have been no disagreements regarding financial matters with the prior audit firm.
23	What is the current software that the City utilizes for accounting and do you expect any changes in the next year?	The City of West Hollywood's accounting function are computerized using the Tyler Technology/EDEN systems software on a Unix/Windows based. The applications operating on this system are general ledger, accounts payable, accounts receivable, payroll, human resources and purchasing. The business license system used is HDL. The City currently issued an RFP for electronic timesheets. Other than the electronic timesheet, the City does not expect any changes in the EDEN software for maintenance of general ledger.