



**Sites Project Authority  
Independent Annual Financial Audit Services  
RFP No. 22-02  
Addendum No. 1**

This addendum provides responses to questions and clarifications received by the Sites Project Authority on the Independent Annual Financial Audit Services Request for Proposal (RFP) No. 22-02.

1. **Question** - Why is the Authority considering changing auditors?  
**Response** - The Sites Project Authority (Authority) decided to follow industry standards to have a financial auditing firm conduct no more than 5 years of financial audits. The prior financial auditing firm completed their fifth annual audit for 2020.
2. **Question** - Will your prior auditor be invited to bid?  
**Response** – No, as they have conducted 5 consecutive years of financial audits for the Authority.
3. **Question** - How long has your prior auditor been performing the audit?  
**Response** – They have conducted 5 years of Authority financial audits.
4. **Question** - What were the prior year’s total audit fees, and can you provide the breakdown by components?  
**Response** – The fixed price FY2020 audit was for approximately \$16,000.
5. **Question** - For both interim and year-end, how many staff did the audit team consist of in the past and how many weeks did the auditor spend in the field?  
**Response** – No interim work was conducted as the audit was conducted after the fiscal year ended. The Authority coordinated only with the lead auditor so unsure of the size of the audit team. The auditor used standard questionnaires and field work to secure needed information. Since the Authority does not have employees (refer to response to question #14), it has contracted out their accounting activities since 2017 to an accounting firm in Colusa, CA. Therefore, field work will be at the Colusa firm’s offices.
6. **Question** - Is there anything specific that you are looking for with the successor auditors?  
**Response** – No.
7. **Question** - Is the scope of the service requesting the same as last year?  
**Response** – Yes, although the Authority’s yearly expenditures continue to rise to meet Project needs and additional government funding has increased.

8. **Question** - Are there any significant changes in operations expected for FY 2021-22?  
**Response** – Unsure what significant changes in operations means. Each year the Authority continues to successfully complete key planned work activities to make progress towards a buildable Project. These should not impact annual financial audits except for increased expenditures.
9. **Question** - Will there be any significant events in FY 2021-22?  
**Response** – Unsure what is meant by significant events. In building a large infrastructure project there are many key milestones/events that are met each year. The Authority is currently working to secure key permits, a water right, and expand funding sources. In future years there are planned events such as bank financing and a WIFIA loan that will impact future financial audits.
10. **Question** - Have there been any changes in your accounting system since last year?  
**Response** – No changes have been made to the accounting system over the last few years.
11. **Question** - What are some things you would like to see improved in the financial audit process compared to previous years?  
**Response** – The previous auditing firm was well organized, conducted the audit in an efficient manner, and were easy to work with. There are no known improvements for future audits.
12. **Question** - How many audit-adjusting journal entries did you have in the prior fiscal year?  
**Response** – Unsure.
13. **Question** - Any litigation not included in the 2021 Financial Statements?  
**Response** – The Authority has not had any litigation issues.
14. **Question** - Did the Authority have any layoffs, retirements, or replacements of key employees in the finance department due to Covid-19 or otherwise?  
**Response** – The Authority does not have any employees, therefore no layoffs, retirements, or replacements of key employees in the finance department due to Covid-19 or otherwise. Work is performed by independent consultants. After securing bank financing in the next 2-3 years the Authority will likely begin hiring employees. If the change to employees occurs during the auditor’s contract period of performance and increases the audit work effort, then the Authority will work with the auditor to amend their contract to compensate for any additional effort.