



**AUDIT OF CENTRAL MIDLANDS COUNCIL OF GOVERNMENTS GENERAL  
PURPOSE FINANCIAL STATEMENTS**

**REQUEST FOR PROPOSALS**

**ADDENDUM 1**

**July 17, 2020**

The purpose of this addendum is to provide answers to questions and/or requests for clarification received by prospective RESPONDENTS.

1. Can you provide a copy of the most recently issued audit reports?

The most recent FY 2019 audited financial statements for CMCOG has been posted to the CMCOG website. We do not have a current audited financial statement for the Central Midlands Development Corporation. The IRS form 990 for CMDC is available for download on Guidestar ([www.guidestar.org](http://www.guidestar.org)).

2. Who prepares the first draft of the audited financials, footnotes, and SEFA? Is it your staff or the audit firm?

The first draft is prepared by the audit firm. The SEFA is prepared by the staff.

3. What are the basic qualifications of the accounting staff there?

Knowledge of Accounting policies, procedures, and practices (internal). As well as knowledge of GAAP Accounting and a minimum education of an Associate Degree in a related field with at least 4 years of experience in all areas of accounting.

4. Were there any audit adjustments proposed by the audit firm for the most recent audit?
  - Adjustments to unearned revenue
  - Adjustments to depreciation

- Adjustments to SEFA report

5. Did the audit firm issue any internal control deficiency reports?

See most recent audited financials referenced in Question 1 above.

6. How long did the audit firm spend on site for audit fieldwork and how many auditors were on site?

Single Audit- 1 Auditor

Field work-2 Auditors

Total on site- 1 month

7. What were the audit fees paid to the audit firm for the most recent audit?

\$35,850

8. Can you provide a copy of the 6/30/19 audit, I could not locate one on the website?

See answer to Question 1 above.

9. How many employees are there?

CMOG has a total of 34 employees.

Any turnover within the last 6 months of key management personnel?

Yes, Director of the Area Agency on Aging.

10. Any pending / threatened litigation?

CMCOG is currently involved with one (1) lawsuit.

11. Any notification of financial reporting deficiencies by any federal or state regulatory entities within the last 12 months?

See most recent audited financials referenced in Question 1 above.

12. Any disagreements with the audit firm related to accounting matters?

No

13. How many adjusting journal entries were there to the last audit proposed by the auditors?

See answer to Question 4 above.

14. Are finance personnel CPAs, how long have they been in their current position?

No.

Director of Finance: 1yr & 3 months

Director of Financial Management and Supportive Services: 1 Month (was Prior Grant Account for 9 months).

15. Are there any new federal programs for the year ending 6/30/20?

No

16. The 6/30/18 audit report is dated 12/10/18, why was there a delay in issuing this audit when your RFP specifies a due date of 11/15?

The dates as set forth in Section 4.3 of the RFP are target dates and can be adjusted on an as needed basis.

17. Please provide audit firm name and fee history for the last five years?

The last five year contract was awarded to Mauldin and Jenkins. The fee history for the last five years is as follows:

2019: \$35,850

2018: \$21,000

2017: \$21,150

2016: \$20,300

2015: \$20,000