

Financial Support and Analysis

Request for Proposal: Questions & Responses

May 21, 2015

- 1. Are you using the term “General Financial Audit” in a generic manner? Your description of the scope of work is what our firm would term an “Internal Control Review”, which is not an audit but a comprehensive review of internal controls to assess their effectiveness. The review would culminate with recommendations on how to strengthen or enhance any controls deemed weak or ineffective. Is it the intent of the State Bar of California to perform an audit, which is an examination with an opinion, or a review, less than an audit, of the internal controls?**

It is the policy of the Board of Trustees to conduct an “audit” every five years of internal controls of three fiscal-related business processes: Budget, Payroll, and Procurement and Accounts Payable and the last audit took place in 2010. We believe that what we are seeking is an “Internal Control Review” as you define that term. We are not seeking an “audit” but a “review with recommendations” as you define it.

- 2. Are there any special circumstances or events that generate the need for this project/audit at this time?**

There are no special circumstances or events that have triggered this audit other than the passage of time.

- 3. Will the previous consulting firm also be considered in this award?**

As a public bid offering, we are accepting proposals from all qualified vendors, however, best-practices would indicate that we seek this review from a different source.

- 4. Do you have a target budget for this RFP?**

The budget will be determined based on the range of responses received. The previous review ran approximately \$110,000 in total.

- 5. Is there a firm deadline, or are there key events driving the project timeline? (e.g., end of fiscal year, board of supervisors meeting, etc.)**

The end of this calendar (and our fiscal) year is our targeted deadline.

- 6. Did your previous auditors have any findings of significant deficiencies or material weaknesses? If yes, how were they remediated?**

The audits, in addition to providing the State Bar with recommendations for improvement, also highlight areas in which the Bar’s controls were strong and functioning as intended.

The inclusion of this type of information in the reports was especially helpful to readers in understanding the entirety of the Bar's controls in these three fiscal-related business processes and the commitment of staff in constantly maintaining and improving them.

The findings noted that:

A. The State Bar should emphasize the importance of additional reviews needed by senior executive staff for P-Card purchases exceeding \$5,000;

B. Noted that the State Bar should continue its efforts to re-procure the security services contracts and work towards researching and renegotiating other long-term contracts.

C. The State Bar should evaluate the costs and benefits of using a temporary agency to staff a deliverable based project versus competitively bidding the work.

D. The State Bar should consider incorporating steps to inform its Board about high value custom contracts to increase oversight and transparency over its contracting processes.

All the recommendations were addressed by management.

7. Are there any unique qualifications/characteristics you may be looking for in a firm that were not mentioned in the RFP?

We are seeking an organization with the ability to perform the scope of work in the most efficient and cost effective manner.

8. What are some of your main concerns regarding policies, operations issues, upcoming changes in accounting reporting requirements, regulatory changes, etc.?

Accounting Principal Review and Cost Allocation Review.

9. Will the agency's key staff be available to meet with the project team?

Yes.

10. Will key documentation - such as prior reports and analyses, org charts, performance measures/benchmarks and previous measurements – be available to the project team?

Yes.

11. You are requesting four hard copies of the proposal by 4 p.m. on May 27, 2015. Since you are also requesting that the Vendor History Questionnaire be emailed as an Excel file, is it possible to email the proposal to you (instead of "snail-mailing") as a PDF file by the same deadline?

The evaluation team requires that all proposals be submitted in hardcopy. The additional softcopy email is requested to expedite the initial analysis more efficiently.