



**STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE**

Questions and Answers Submitted to OSA for RFI: 51520201

1. Can all the work be performed remotely or is there an expectation of on-site work?
 - a. OSA would expect the selected firm (or firms) to conduct some work on-site.
2. Would we be reviewing transactions prior to payment/reimbursement of after?
 - a. OSA would require the selected firm (or firms) to issue an independent report; therefore, monitoring would not be allowed and all transactions would be reviewed after payment.
3. How many subrecipients are expected for these funds?
 - a. Unknown.
4. What is the expected volume of transactions that will be paid with CRF funds?
 - a. Unknown.
5. The wording of the RFI indicates continuous audit work and implies full assurance, rather than reasonable assurance. Is this the intent?
 - a. No. Reasonable assurance sufficient to issue an independent report is all that would be required.
6. Does this have to be an audit or can this be an examination or agreed upon procedure depending on the ultimate scope of work?
 - a. Based on the scope, OSA would be open to agreed upon procedures.
7. There is no mention of risk assessment or a monitoring plan. Would the OSA be open to applying risk assessments to allow for a risk-based approach to the procedures?
 - a. Yes. OSA would be open to a risk-based approach. OSA would need to review the risk assessments made by the selected firm or firms to ensure compliance and coverage.
8. When does the OSA expect to start disbursing the CRF funds and when does the OSA expect the required procedures to begin?
 - a. The Legislature for the State of Mississippi is currently in session and is in the process of deciding on the ultimate allocation of funds. OSA would expect procedures to begin approximately one month after the first expenditures made with the funding. A definitive date is unknown at this point.
9. Will all the transactional support be maintained by the State or OSA (i.e. in the State information system or a State portal), or will we need to coordinate with each subrecipient and various state agencies for the cost support?
 - a. Depending on the recipient of the funds, some information may be available via the Statewide Accounting System – MAGIC. However, local governments and subrecipients do not use this portal and coordination for sharing of audit documentation would need to be coordinated at the local level
10. Please summarize the flow of documentation between subrecipients, the OSA and the selected contractor. Will the documentation be uploaded to a portal at the OSA? If at a portal at the OSA, will the selected contractor have access

to the portal for data analytics? If not a portal at the OSA, would the contractor be responsible for establishing such a portal?

- a. The selected firm or firms will be responsible for communicating directly with the local government or subrecipient to obtain the information. OSA will supply a secure online “sharefile” which can be utilized by the selected firm or firms. Based on OSA’s experience with local governments and subrecipients in MS, OSA does not expect information to be in a format that could be analyzed with data analytics without first conducting manual transposition.

11. The procedures are expected to be completed by December 30, 2020, yet allowable costs related to CARES (and any unknown subsequent act amending CARES) could stretch beyond that date. Furthermore, the date would assume all documentation has been provided to OSA by that date. Is there any flexibility?

- a. Currently, all CARES Act funds must be encumbered by December 30, 2020. OSA is aware there is discussion that this date will be revised. If the date is revised, the final scope of work would reflect those changes. OSA expects monthly status reports on the work performed, but a final report would not be expected by December 30, 2020. OSA would grant a reasonable timeframe for any final report completion.

12. Will only one firm be selected to do the compliance contract work or is there a possibility more than one firm could be selected due to the amount of compliance work?

- a. OSA will likely select more than one firm, based on interest and price.

13. The RFI requires the firm’s response should also include detailed information to address subsections 3(A), 3(B) and 3(C). However, we cannot locate a subsection 3(C). Can you clarify?

- a. The inclusion of 3(C) is a typographical error. There is not a 3(C) in the RFI.

14. Is there an expectation on the type of report (e.g. Agreed Upon Procedures, Findings and Recommendations, etc.)?

- a. We are open to Agreed Upon Procedures, but were envisioning an audit report with findings and recommendations.

15. Is the State Auditor going to rely on work performed to issue an opinion?

- a. Yes. Both the Single Audit Opinion, Yellowbook Opinion and CAFR Opinion.

16. Have you considered the use of forensic auditing and/or data analytics as part of the compliance procedures?

- a. Due to the variability of data, we do not believe data analytics will be feasible. Additionally, the MS Legislature has requested frequent status updates, and OSA does not feel a forensic audit will yield timely enough results from audit procedures.

17. It is important for the selected vendor to have a local footprint in Jackson?

- a. OSA will require the selected firm or firms to perform work onsite. It is not required to have a local office in Jackson or Mississippi. Any firm selected must be registered as a business with the Mississippi Secretary of State and must be on the OSA Approved CPA Firm listing. Neither are required to submit a proposal. But firm must verify that both have been completed before a contract is signed. Any firm selected must be registered to do business in the State of Mississippi as prescribed by the Mississippi Secretary of State or, if not already registered, that is will do so within seven (7) business days of being offered an award. Sole proprietors are not required to register with the Mississippi Secretary of State.

18. Can the response to the RFI be submitted via email?

- a. Yes. If you would like to submit a proposal via email, please request a ShareFile link to be sent to a specific email address at your firm. That file will enable you to upload your proposal. When the proposals are opened, your file will be downloaded from the ShareFile, and the folder will be deactivated.

19. Does the OSA have an estimation of the number of entities that would be subject to continuous audits related to CARES Act funds?
 - a. Unknown at this time.
20. B7 mentions completion of work by December 30, 2020. The CARES Act allows for fund to be expended through that date, and Section 3 mentions the FY2021 CAFR. Is there an expectation that some work will be performed after December 30, 2020, based on the close out of funds leading up to December 30 and OSA single audit related matters for FY2021?
 - a. Currently, the CARES Act funds OSA is most concerned with auditing is the Coronavirus Relief Money, which must be encumbered by December 30, 2020. OSA is aware there is discussion that this date will be revised. If the date is revised, the final scope of work would reflect those changes. OSA expects monthly status reports on the work performed, but a final report would not be expected by December 30, 2020. OSA would grant a reasonable timeframe for any final report completion.