

**Attachment – A to Addendum # 1 Continued**

Questions and Answers to  
CAFR RFP  
Specification # 1211514

Q #	Questions Submitted by Respondents - cont'd - [the original wording and numbering is as received]	City's ANSWERS to Questions - cont'd -
108	15. Please describe the protocols used by the City for document sharing with the auditors. Is an internal system used or does the City look to the auditors to provide document sharing resources?	The City would look to the auditors to provide a secure document sharing resource.
109	16. Does the City anticipate any major changes in its operations that will have a significant impact on upcoming audits? Similarly, does the City anticipate any major changes in the reporting entity during the contract period (I.e. new major funds, new component units, etc.) If so, please explain.	The City does not anticipate any major changes in its operation or reporting entity that would have a significant impact to the audits at this time.
110	17. In prior years, have the auditors provided additional non-audit services? If so, please describe the services provided and the fees charged.	The Scope of Services set out for this RFP and the resulting Contract, does not contemplate non-audit services. As such, any "non-audit services", are not relevant to this RFP. Also see response to Q # 91 from <u>Attachment A to Addendum #1</u> .
111	18. Is the City aware of any fraud, errors or irregularities that should be evaluate in determining the scope of the City's audit? If so, please explain.	No material errors or fraud are noted at this time.
112	19. Does the City have the technological capabilities and is the City open to a remote work environment?	Yes, the City performed the 2019 audit in a remote work environment.
113	20. Please explain how management prepares for new accounting statements and their reliance on the audit firm.	New accounting statements are reviewed by the Department of Finance management and senior management, with input and guidance from the auditors and consultation with Law, if needed.
114	21. RFP Section VIII, Compensation Schedule a. The first paragraph on page 15 indicates that "Tables 2 and 3 (to follow on the next pages) set forth a Fixed Price pricing format." Can the City clarify if this refers to Tables 4 and 5 on pages 16 and 17 and that required tables were not omitted? b. Are Tables 4 and 5 available in an Excel format from the City? Or should respondents recreate this format to add more space as needed (reference to Notes 1 and 8)?	Yes, a Table-auto-numbering operation caused Table numbers on pages 16 and 17 to be incorrectly labeled in the original RFP; and are corrected as follows:  "Table 4 Auditor's Own Staff for CAFR" on page 16, and references to it, should be labeled as " <b>Table 2</b> Auditor's Own Staff for CAFR". "Table 5 Subcontractor's Staff" on page 17, and references to it, should be labeled as " <b>Table 3</b> Subcontractor's Staff".
115	1. Please clarify the role, if any, that the Aviation Department has in the audit of the Midway Fund and O'Hare Fund. Are the internal control processes around significant transaction cycles (such as cash disbursements, payroll, etc.) the same as the City's or decentralized?	The Department of Finance is responsible for preparing the financial statements. The Airport provides capital assets, statistical information for GASB 44, and variance explanations. Cash disbursements, payroll, billing and collections are managed by the Department of Finance.
116	2. Have the airports had independent audits of their PFC activity? Can we obtain a copy?	(i) PFC compliance audits are issued for each airport on an annual basis. (ii) A copy of any relevant report shall be provided to the Auditor, upon award of Contract.
117	3. Have any other non-attest services been provided by the Airports current auditors such as FAA or state filings?	There are no other non-attest reports besides what is mentioned in the RFP.
118	4. What decentralized activities exist at each of the airports outside of what the City provides (billing, leasing, etc)?	Billing is managed in-house by City staff. Leasing is partially managed by a third party under the supervision of City staff. Software is used to maintain files.
119	5. Have the airports evaluated the impacts of implementing GASBs 83, 88 and 89? If so, please provide.	The City is in the process of evaluating these GASB Statements.
120	1. Please you clarify the roles the Department of Finance and the Department of Water Management, Bureau of Administrative Support play in the audits of the Water Fund and Sewer Fund? Are the internal control processes around significant transaction cycles (such as cash disbursements, payroll, etc.) the same as the City's or decentralized?	The Department of Water Management is responsible for preparing the financial statements. Some of the information, such as cash, pensions and debt, are obtained from the Department of Finance. Cash disbursements, payroll, billing and collections are managed by the Department of Finance.
121	2. Please provide a copy of the 2019 debt compliance letter for the Water Fund.	A copy of any relevant report shall be provided to the Auditor, upon award of Contract.
122	3. Please provide a copy of the 2019 debt compliance letter for the Sewer Fund.	A copy of any relevant report shall be provided to the Auditor, upon award of Contract.
123	4. Have the utilities evaluated the impacts of implementing GASB Statements 83, 88 and 89? If so, please provide.	The City is in the process of evaluating these GASB Statements.
124	1. In reviewing the 2019 financial statements for the O'Hare International Airport Fund, it is disclosed that Hilton O'Hare operations were included for the first time in 2019. With the hotel operations included in these financial statements, were separate financial statements issued for Hilton O'Hare in 2019? If so, please provide a copy of the statements.	Yes, separate financials were issued. A copy will be provided to the selected awardee.
125	2. Please provide a copy of the service contract with Hilton and the food and beverage provider.	Copies will be provided to the selected awardee. Copies are also available on the City Clerk's website.
126	1. Please provide copies of the following reports from 2019: the Office of the City Treasurer, City of Chicago Schedule of Cash and Investments; the Office of the City Treasurer, City of Chicago Examination of Its Compliance with Its Statement of Investment Policy and Guidelines; and the Special Purpose Schedules of the Chicago Public Library.	These reports will be made available to the selected awardee.
127	2. Can you confirm that administrative responsibilities, including audit oversight, for the STSC is external to the City's operations? If so, what role, if any, does the Department of Finance play in the STSC audit?	Department of Finance oversees the STSC audit process and prepares the required schedules.

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