



AN  MANAGED FACILITY

**Pennsylvania Convention Center Authority
RFP for External Audit Services
Addendum #3 – Answers to Submitted Questions
November 6, 2024**

#	Question
1.	<p>Please provide the fees paid for audit services for each of the past three years. If applicable, please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.</p> <p>Answer:</p> <p>FY24 \$108,000 FY23 \$106,000 FY22 \$104,000</p> <p>In FY24 there was a cyber security incident that triggered an audit response from the incumbent to test security controls and the integrity of the financial data after the breach. The cost for that “out-of-scope” work was \$7,600.</p> <p>A copy of the current audit agreement will be posted to Cobblestone as well.</p>
2.	<p>When will the final trial balance and audit support be ready to begin the audit each year?</p> <p>Answer: A preliminary TB is usually provided by the second week of August. Most of our material journal entries are booked by this point but there are always various adjusting entries for items that come up during auditor reviews and checks.</p>

#	Question
3.	<p>Has PCCA evaluated the impact of GASB 101, <i>Compensated Absences</i>, on the organization and its financial statements?</p> <p>Answer: Not yet. GASB 101 was brought to our attention in FY24 and we are in the process of reviewing its potential impact and will seek advice from our audit team in terms of the impact and effect on the audit.</p>
4.	<p>Do you typically have adjusting journal entries? If so, how many do you typically have?</p> <p>Answer: In FY24 there were approximately 10 entries after the trial balance was submitted.</p>
5.	<p>What are the expectations for the performance of the fieldwork? Any preferences to perform the work remotely, on-site or a hybrid model? Will Board meetings be held virtually or in-person?</p> <p>Answer: Since Covid we have been on a remote basis for both parts of the audit (interim April15-May 28th) and (Year-end July15-Sept30). This year we are looking for a Hybrid Model in which auditors will have to be on site to test confidential aspects of the audit including personnel files, payroll and health insurance information. We request that the firm have a local presence so that traveling will be a non-issue when needed on site. Board meetings have been virtual as well since Covid.</p>
6.	<p>Is the incumbent firm allowed to propose?</p> <p>Answer: Yes.</p>
7.	<p>Is there anything about your current audit process that you would like to be changed in the future?</p> <p>Answer: Yes. With the incumbent, much of the heavy testing was completed during the final two weeks of the audit. We would like to avoid a rush at the end of the engagement.</p>
8.	<p>Have there been any disagreements between management and your independent auditor during the prior three engagements?</p> <p>Answer: No</p>

#	Question
9.	<p>Did the incumbent auditors meet the pre-determined deadlines?</p> <p>Answer: Yes</p>
10.	<p>What are the three biggest challenges affecting PCCA?</p> <p>Answer: Moving to a cloud-based accounting software. New CFO learning curve to the business. Light transition from previous CFO on audit procedures.</p>
11.	<p>Are there any significant changes in PCCA (or pending changes) that will have an impact on the audit process moving forward?</p> <p>Answer: Moving to cloud-based accounting software.</p>
12.	<p>We recognize and support the City of Philadelphia's and PCCA's commitment to supporting participation of M/W/DSBE businesses. We recognize the City's goal is to fulfill 35% of all contracts through M/W/DSBEs. For this particular opportunity, is there a minimum level of M/W/DSBE participation required or expected?</p> <p>Answer: The PCCA does not require a specific numeric participation goal. We ask that the MWDBE participation be "meaningful and substantial" as it relates to the total contract value.</p>
13.	<p>Does ASM operate their own general ledger outside of PCCA's general ledger?</p> <p>Answer: Yes. ASM is currently using Solomon software but will be moving to a new Microsoft product soon, Dynamics365. At month end close we consolidate their month end results within Great Plains for external reporting.</p>
14.	<p>For an M/W/DSBE business to be considered certified, is it required to be on either the Philadelphia Minority Business Enterprise Council or Pennsylvania Unified Certification Program list? If so, could you please provide links to those lists?</p> <p>Answer: No, they are not the only certifying bodies required. Certification can be via other third-party agencies in the Commonwealth of Pennsylvania (e.g. EMSDC, the City of Philadelphia's OEO, WBEC-East)</p>