

**State of Nevada – Uniform Guidance Single Audit RFP  
Questions and Answers**

2/6/2018

---

1. What are the significant IT systems used for financial statements and federal grants?

*The Advantage accounting system is the State's primary accounting system maintained by the Controller's Office. Various state agencies also maintain subsystems, many of which interface or upload to the Advantage system with varying degrees of significance. Agencies may also use other decentralized programs. The Controller's Office may be able to provide additional details regarding this topic.*

2. The RFP discloses there were 17 major programs audited in FY2016, how many were audited in FY2017?

*It is our understanding that 16 programs were audited as major programs for fiscal year 2017.*

3. How many journal entries were proposed by the auditors? Were there any significant adjustments?

*Confidentiality requirements of NRS 218G do not allow us to disclose the results of audits in progress until the audit has been released to the Legislature's Audit Subcommittee.*

4. What is the current timing of audit fieldwork for the financial statement and single audit portions of the audit?

*Internal control work is typically done at the end of May or early June. In some instances, certain compliance testing **may** be performed shortly before or after fiscal year-end, depending on agency availability. The majority of on-site auditing is performed from November through January. Generally, the financial statement audit is done from mid-November to early December.*

5. The Single Audit Information document states that total audit hours for FY16 were 5,343 with a footnote that the percentage of effort for the compliance audit is between 70-80% of total audit hours. Can you clarify if the 5,343 hours are total audit hours, or just the hours for the compliance audit that make up 70-80% of total audit hours? In addition, does the \$345,000 price represent total audit fees, or audit fees for the compliance audit?

*The 5,343 hours noted are the total hours reported by the contracted firm for fiscal year 2016, inclusive of the financial statement and federal compliance audits. The \$345,000 represents total fees for all related audit services.*

6. Were there any significant events in FY2017, or so far in FY2018, that are not reflected in the FY2016 CAFR?

*We are unaware of any significant events in fiscal year 2017, or so far in fiscal year 2018.*

7. Can you provide the major federal award programs that are being audited for the fiscal year ended June 30, 2017?

*It is our understanding that the following were major programs audited during the fiscal year 2017 audit:*

**State of Nevada – Uniform Guidance Single Audit RFP  
Questions and Answers**

2/6/2018

---

93.778/93.777/93.775	<i>Medicaid Cluster</i>
93.767	<i>Children’s Health Insurance Program (CHIP)</i>
93.558	<i>Temporary Assistance for Needy Families (TANF) Cluster</i>
10.551/10.561	<i>Supplemental Nutrition Assistance Program (SNAP) Cluster</i>
17.225	<i>Unemployment Insurance</i>
84.126	<i>Rehabilitation Services_Vocational Rehabilitation Grants to States</i>
84.010	<i>Title I Grants to Local Educational Agencies</i>
84.027/84.173	<i>Special Education Cluster</i>
10.553/10.555/10.556/10.559	<i>Child Nutrition Cluster</i>
12.401	<i>National Guard Military Operations and Maintenance</i>
93.575/93.596	<i>Child Care and Development Fund Cluster</i>
10.557	<i>Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</i>
93.658	<i>Foster Care_ Title IV-E</i>
93.659	<i>Adoption Assistance</i>
20.205/20.219	<i>Highway Planning Cluster</i>
93.959	<i>Block Grants for Prevention and Treatment of Substance Abuse</i>

8. Per page 4 of the Request for Proposal (RFP), item II.E.15 mentions the Nevada Legislature’s approval of a new ERP project to replace the existing financial, human resource, procurement, and budgetary information systems, what fiscal year is the new ERP system expected to be implemented?

*The Governor’s Finance Office, Office of Project Management is responsible for the ERP project and may be able to provide insight into this question.*

9. What City do the State’s departments/agencies reside and is the audit work for the financial statement and federal compliance work mainly performed in Carson City? If not, what other cities have the auditors traveled to in order to conduct the audits?

*The Controller’s Office and majority of the state agencies are located in the Carson City/Reno area. As a result, audit work is primarily completed in this area. When applicable, the current auditor has been able to have certain files, not located in the area, sent to them for review. However, depending on the classification of major programs in the future, a contracted firm may need to perform some work in rural areas or Las Vegas.*

10. Please confirm whether the hours of 5,343 and fees of \$345,000 contained in the Uniform Guidance Single Audit Request for Proposal Information pdf represents the respective contracted totals to perform the financial statement and federal compliance audit for the fiscal year ended June 30, 2016? If not, what are the total hours incurred for the financial statement audit and the total hours incurred for the federal compliance audit work?

*See response to question #5.*

**State of Nevada – Uniform Guidance Single Audit RFP  
Questions and Answers**

2/6/2018

---

11. Per page 18 of the RFP, Section IV.I.1c, it is mentioned that the auditee will prepare the schedule of expenditures of federal awards, is the auditee or the contractor responsible for preparing the notes to the schedule of expenditures of federal awards?

*The contractor is responsible for drafting the “Notes to the Schedule of Federal Awards”.*

12. During the 2017 financial audit, there was discussion that LCB might discontinue performing the money count, which is currently required by NRS 353.060 and is a significant piece of the Cash and Investments testing. Can you comment on whether or not that might be the case at some point during the course of this engagement and if so, when?

*The statutory requirement to perform a count of money in the State Treasury remains and the Audit Division will continue to perform our related procedures and issue a report based on the results. We are currently not aware of any effort to eliminate the statutory requirement.*

13. There are many new GASB Statements that will become effective during the four year period contemplated in the RFP. How much planning and up-front work has been done to date to prepare for GASB No. 75, which is effective for the year ending June 30, 2018?

*It is our understanding the State Controller’s Office is beginning the process of implementing GASB 75. The Controller’s Office may be able to provide additional detail regarding the process for implementing the requirements of this and other GASB Statements and the associated challenges, known or anticipated.*

14. Section II E 15 of the RFP advises that the 2017 Legislature awarded funding for the first phase of a new Enterprise Resource Planning project to replace the State’s existing accounting system. Can you provide more guidance as to when this new system is expected to be selected, the name of the new system if it has been selected and when it is expected to be operational?

*See response to #8.*

15. Since the State of Nevada is a group audit, are you aware of any new components or component units that the Legislature or management is considering forming or creating?

*We are not aware of any new components or component units that are being considered.*