



RFP No. 21-12-31001
External Audit Services
Released: March 25, 2021

QUESTIONS AND ANSWERS

- Q1. What were the audit fees for each of the last three fiscal years?
R1. FY18 - \$143,840.00 FY19 - \$153,155.00 FY20 and \$153,155.00
- Q2. Are the current auditors allowed to respond to the RFP?
R2. Yes.
- Q3. Does the current auditor prepare the CAFR?
R3. No.
- Q4. How long has the current auditor been performing this audit?
R4. Since fiscal year end 9/30/2014.
- Q5. For your most recent audit, were there any additional services provided by the current auditors? If so, what were they and what were the fees?
R5. No.
- Q6. Are there any points awarded in the Evaluation Criteria for any of the following: Local business preference (and if so, in what areas), MWBE or SBE certification (and if so, what certifications does the Authority accept)?
R6. No. There are no points awarded outside the Evaluation Criteria.
- Q7. Does the Authority expect to meet the requirements for a Federal Single Audit?
R7. Yes.
- Q8. Does the Authority expect to meet the requirements for a Florida Single Audit?
R8. Yes.
- Q9. Are there any material current events that will affect the Authority during the first fiscal year of the contract (lawsuits, debt issuances, changing software, new programs, loss/gain of major funding source...)?
R9. The only material expected event is the financing and construction of the \$150 million facility for Boeing at Cecil Airport.
- Q10. Who will be the members of the audit selection committee?
R10. The Evaluation Committee Members have not been chosen at this time.
- Q11. Exhibit E form **does** not have the updated online notarization verbiage effective 01/01/2020. Would we be allowed to update the form, or will you provide an updated version?
R11. Exhibit E can be executed with electronic signature. Scan or online notary is acceptable, form can be updated for online notary if necessary.
- Q12. Would the Authority consider allowing electronic signatures on this proposal to allow our employees to continue working safely from home? Or has the Authority considered to have the proposal submitted electronically, instead of physical copies?
R12. Yes, electronic signatures are allowed. No physical copies will be accepted. All proposals must be uploaded into Demandstar.com, per the instructions included in the solicitation.



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- Q13. We had a question related to what DBE Certification is required for this submittal. Please see the attached certification for a firm that we would like to use as our DBE firm. They are certified through the State of Florida. Would this be a qualified DBE firm for this solicitation and if not, what would they need to do to become certified?
R13. There is no DBE goal. If a respondent utilizes a DBE firm, this information will be confirmed upon the respondents' receipt of the intent to award. No DBE firms will be pre-qualified for this solicitation.
- Q14. Can you please provide the audit fees paid for the September 30, 2019 and 2020 audits?
R14. FY19 - \$153,155.00. FY20 and \$153,155.00
- Q15. What assistance do you expect from your auditor in the implementation of new standards, such as GASB 87?
R15. Limited technical advisement. JAA has completed the majority of work necessary to comply with GASB 87.
- Q16. Are the current auditors permitted to respond to this request for proposal?
R16. Yes.
- Q17. What do aspects of the relationship with your auditor are most important to you?
R17. Governmental audit experience, practicality, and responsiveness. Airport audit experience is also valuable to us.
- Q18. Are there any planned changes to the accounting system during the year ended September 30, 2021?
R18. No.
- Q19. How many auditors are generally onsite during fieldwork?
R19. During non-pandemic years, there are 2-3 auditors. During the pandemic, the audit was completed remotely.
- Q20. Is JAA's comprehensive annual financial report prepared internally or does the audit firm prepare those financial statements?
R20. JAA's CAFR is prepared internally. JAA will certainly entertain proposals that include the preparation by the audit firm.
- Q21. How long has JAA been engaged with the current audit firm and is that firm eligible for rehire?
R21. Approx. Five years and seven months. Yes, the incumbent firm is eligible for rehire.
- Q22. Why is JAA considering a change in auditors?
R22. The current contract is due to expire on September 30, 2021.
- Q23. What were the audit fees for each of the last 3 fiscal years?
R23. FY18 - \$143,840.00 FY19 - \$153,155.00 FY20 and \$153,155.00



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- Q24. Can you please provide a copy of the most recent Debt Covenant Compliance Report prepared by the current auditors?
R24. JAA has not asked our current auditors to prepare this report as our current debt portfolio does not require it.
- Q25. Can you please provide a copy of the most recent no default letter prepared by the current auditors related to the Authority's bond agreements?
R25. JAA has not asked our current auditors to prepare the default letter as our current debt portfolio does not require it.
- Q26. How many journal entries were proposed by the audit firm for each of the last 3 fiscal years?
R26. There were no proposed entries made in the last three years. Auditors maintain a "Passed Audit Adjustment List" which contains immaterial proposed journal entries. That list had one in 2020, one in 2019, and one in 2018.
- Q27. Have there been any changes in the accounting system and are there any changes planned since the most recent fiscal year end?
R27. No.
- Q28. Is there any plan to issue or refinance debt within the next 3 fiscal years?
R28. Yes. JAA plans to issue approximately \$140M in debt in the next 12 month.
- Q29. Have there been any changes in management in the last year? If so, whom and when?
R29. JAA CFO role changed in April of 2020.
- Q30. Will JAA permit the audit firm to perform interim audit procedures prior to the fiscal year end?
R30. Yes, JAA does that now and plans to maintain going forward.
- Q31. What attributes of an audit firm are most appreciated by JAA?
R31. Governmental audit experience, practicality, and responsiveness. Airport audit experience is also valuable to us.
- Q32. Does JAA have any other requirements for audited information such as audits of the schedule of expenditures of passenger facility charges? If so, is the preference that be priced in this proposal and can the most recently issued audit be provided?
R32. Yes, JAA does consider that to be part of the Single Audit and would like that to be included in the proposal.
- Q33. Does JAA expect any fiduciary funds/activities upon adoption of GASB Statement No. 84?
R33. No.
- Q34. Does JAA plan to utilize a specialized software or tool to calculate necessary balances and disclosures associated with GASB Statement No. 87?
R34. Yes, JAA uses Propworks which is an aviation related revenue and leasing software.
- Q35. What is the expected release date of the FY20 audited Comprehensive Annual Financial Report?
R35. March 23, 2021



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- Q36. Please provide the total hours incurred for the 9/30/20 and 9/30/19 audit, including PFC and Uniform Guidance audits.
R36. Invoices from our current auditor do not include hours incurred, flat rate billing.
- Q37. Were additional billings required by the incumbent auditor in recent audits? If so, what were the billings related to?
R37. No.
- Q38. How many days of audit fieldwork (year-end and interim) were required to complete the audits in 2020? How many audit team members were involved during those days?
R38. JAA does not have that information. That would be information specific to the audit firm.
- Q39. Was a DBE firm utilized by the incumbent auditor and, if so, what firm? In what capacity were they utilized by the incumbent auditor?
R39. No. There was no DBE firm utilized by the incumbent auditor.
- Q40. Has the Authority experienced turnover in key roles within the organization?
R40. JAA CFO role changed in April of 2020.
- Q41. Outside of the audit process, how does the Authority utilize its auditors?
R41. JAA utilizes our auditors only in the methods specified in the RFP.
- Q42. What concerns do you have about changing firms, if any?
R42. Knowledge loss. More time spent explaining our processes. The potential for auditor differences of opinion on our established controls and positions.
- Q43. What do you enjoy about your current relationship and how has it been successful?
R43. JAA enjoys the knowledge level of our current auditor both in the government sector as well as the airport industry. JAA has also been pleased with the responsiveness and practicality of judgement over the course of our engagement.
- Q44. What are the biggest challenges for the Authority over the next 5 years?
R44. Pandemic related downturn in passenger activity and how quickly it will return. Possible structural changes in business travel. Financial health of the airline and rental car industries.
- Q45. How far is the Authority with the analysis and implementation of GASB 87?
R45. JAA has done a majority of the work necessary to implement GASB 87. JAA is approximately about 80 percent complete.
- Q46. How much CARES Act funding was spent during FY2020? What was the funding used for?
R46. Approximately \$14M. Payroll support, operational maintenance, support services, and capital.
- Q47. Did JAA receive any other federal grants as a result of COVID?
R47. JAA is eligible for the ARC and CRSA grants that have passed through Congress. JAA has yet to receive any funding for them.



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- Q48. In reviewing the request for proposal, we have one section that we would request the Authority to review potential edits. In the RFP, Article II – General Conditions – 2.04 – Indemnification – We ask that you consider adding the word reasonable as follows in the first full sentence of this paragraph “...against all claims, damages, losses and expenses, including but not limited to all **reasonable** fees.....”. We also ask that you consider removing the word ~~alleged~~ in the following sentence: “.... but only to the extent caused in whole or in part by the actual ~~or alleged~~—negligent acts, errors, or omissions of the....”. These are suggested edits for your consideration. However, if we are hired for the contract, if you have any concerns over these changes, our legal counsel would be happy to work with your legal counsel to obtain a mutually agreeable adjustment to the wording.
- R48. JAA does not agree to add “...reasonable” fees...
 JAA does agree to remove “...or alleged...”**
- Q49. The RFP states that Respondent must acknowledge on company letterhead and provide written documentation that it meets the Mandatory Minimum Qualifications. Should every page of our responses utilize company letterhead, or can we begin our response on company letterhead and all subsequent pages with documentation for Mandatory Minimum Qualifications be on non-letterhead?
- R49. Every page does not need to utilize company letterhead. Yes, company letterhead can begin the response and all subsequent pages can utilize non-letterhead.**

The Question-and-Answer period closed on Wednesday, March 10, 2021 at 5:00 PM (local time)

The due date for proposals to be uploaded into Demandstar.com is Thursday, April 1, 2021 by 2:00 PM (local time)