

Interstate Telecommunications Relay Service Fund Financial Audit RFP

	Questions	Rolka Loube Response
1	Who is the incumbent auditor?	Maher Duessel
	<p>Please provide a copy of the most recent year’s audit. If this is unavailable, please provide relevant information that will allow us to determine appropriate nature, size, and scope of operations, including (but not limited to)</p> <p>2 number of transactions processed annually, dollar amount of the transactions, revenue collected, significant outstanding liabilities/commitments, when the audit was conducted, how many staff were involved, how long the staff was on-site etc.</p>	<p>The audit report is the property of the FCC. Information, as approved by the FCC, will be shared with the winning bidder.</p> <p>For Fiscal Year 10/1/17 - 9/30/18</p> <ul style="list-style-type: none"> -Roughly 37,500 invoices and 1,300 credit memos amounting to a net of \$1.38 billion in receivables - Roughly 550 disbursements amounting to \$1.348 billion of payouts - Revenue of the fund for year-end was roughly \$1.371 billion - Outstanding liabilities is mainly the accruals to service providers for \$226 million - The Audit is generally conducted during mid-November each year. Typically the audit staff has been 4-5 auditors (including the partner on the audit) and the staff has conducted it in a week's time with follow-up after leaving. We usually have a draft of the audit by the end of the year or early in January.
3	Please provide the latest management letter, if any.	The audit report is the property of the FCC. Information, as approved by the FCC, will be shared with the winning bidder.
4	Will the current year financial statements be presented in a comparative basis with prior year?	Yes
5	To better estimate the price, will Rolka Loube provide the latest result of the audits of TRS Fund providers that are relevant to evaluate the extent of reliance that can be placed to reduce the level of effort in the financial statement audit?	The audits of the TRS Fund Providers are confidential and previously have not been provided to the Financial audit team due to the audits of the TRS Fund Providers being related to various items.

6	To better estimate the price, will Rolka Loubé provide the IPERA audit results and plan to help evaluate the extent of reliance that can be placed to reduce the level of effort in the financial statement audit?	The audit report is the property of the FCC. Information, as approved by the FCC, will be shared with the winning bidder.
7	If the firm-fixed price includes travel: a) How many locations does RL anticipate the auditors to visit? b) Are all anticipated travel be to the TRS Fund service providers?	Travel would only be to the RolkaLoubé Harrisburg office. No anticipated visits are needed to the TRS Fund service providers.
8	Does Rolka Loubé use a shared service provider in processing the TRS Fund transactions? If yes, please provide the extent of the shared servicer's participation and the information technology systems used in processing of financial transactions.	TRS transactions are processed by Rolka Loubé staff located in our Harrisburg office using our proprietary systems.
9	Does Rolka Loubé anticipate any changes in the next three years that would cause a change in the scope of the engagement?	There is anticipation that Rolka Loubé will need to switch to sending all receivables and processing payables through Treasury. This will be a change in processes/controls which is anticipated to happen in 2019 however timing is not known yet.
10	What is Rolka Loubé's decision making process and who will be involved?	We have a committee of individuals who will evaluate the proposals. The committee includes RL's Chief Operations Officer, Chief Financial Officer, and our Fraud Examiner.
11	Is Rolka Loubé's information currently stored in one location? Electronically? Manually in decentralized locations?	All information is stored on Rolka Loubé's servers located in Harrisburg, PA.

12	What is the size, structure and level of experience of Rolka Loube's team?	23 plus 2 vacancies. We have had no adverse findings since becoming Administrator in 2011. RL has subcontracts with M&T Bank for Trust services and lockbox services, McKonly & Asbury for internal risk assessments and accounting support as necessary.
13	How long has Rolka Loube been administering the fund?	Rolka Loube has been administering the fund since July 2011.
14	Has the Interstate Telecommunications Relay Service Fund been audited in the past?	Yes, the Interstate TRS Fund has been audited by our current auditor since FY ended 9/30/14 and prior years were audited in conjunction with the FCC Audit.
15	Please confirm that the first audit period under this RFP would be for the Fund's fiscal year ending September 30, 2019.	Yes
16	Would Rolka Loube like a fee quote for a single year or (please specify) multiple years?	Multiple years would be appreciated, up to 3 years.
17	What was the total fee paid for the Fund's most recent year audited?	The recent payment is not publically available, however, please reference the FCC Order released on June 29, 2018 (DA 18-680) at Docket No. CG 03-123 and 10-51 at paragraph number 18.
18	Who (name of firm) performed the most recent year's audit? Will that firm be invited to bid under this RFP?	Maher Duessel. Yes they will be invited to bid under this RFP.
19	The RFP indicates the audit shall be performed in accordance with auditing standards generally accepted in the United States of America (GAAS) Government Auditing Standards (GAGAS), and the Fund's operations appear to involve federal financial assistance. Is the Fund subject to the audit provisions of the Uniform Guidance (i.e., Single Audit)?	The fund is not subject to the audit provisions of a Single Audit.

20	The RFP indicates, "The form and content of the audit program shall be submitted to the FCC for review and must be accepted by the FCC Contracting Officer (CO) prior to conducting such audit(s)." Has the FCC CO required significant changes to the auditor's audit program in prior years?	NO changes have been requested that we are aware of.
21	What has been your approach to implementing new accounting standards? Have you evaluated recent standards such as OPEBs, leases, etc.?	Our CFO attends trainings and also speaks with our auditors to ensure that we are complying with new accounting standards. The CFO is in the process of evaluating the recent standards for revenue accounting to ensure there is no further information that needs to be prepared/analyzed for the coming year. Currently the fund has no leases or OPEBs that are associated with the fund.
22	How many adjusting journal entries did the auditors propose?	In the prior year audit (FY 2017), two entries were proposed.
23	Any difficulty in closing the books at year end? Any specific technical assistance that you may need from the auditors?	There have been no issues in the current years however assistance with understanding any new guidance being implemented would be appreciated.
24	Is any form of internal audit assistance provided? If so, what type of assistance has been provided in the prior year's audits?	RL outsources it's internal audit work to a regional accounting firm, McKonly & Asbury. Each year they provide an internal control report to the FCC, as required by our contract.
25	Client assistance -- Can you give us an idea as to the types of schedules that are made available in connection with the audit? Does Rolka Loubé prepare the financial statements and notes thereto?	Currently, RL prepares quarterly financial statements and notes that are provided to the FCC
26	What systems/software is Rolka Loubé utilizing?	Quickbooks Enterprise, Access, Internal Developed software