

Questions for Accounting Services GASB 68 RFP:

1. Is there a statutory requirement to change accounting firms? i.e. rotate after XX years?

No.

2. How long has the current firm had the engagement, and are they allowed to bid again?

The current firm has had the engagement for one year, and they are allowed to bid again.

3. Could you please provide a copy of the deliverables as a result of this contract for the previous year's engagement?

Given the short turnaround time to respond to questions from potential vendors, this process is limited to answering questions about the RFP itself or the RFP process. For additional information please go to the following webpage:
<http://www.osc.ct.gov/rbsd/cmcrs/plandoc/index.html>

4. What were the fixed fees for this engagement for fiscal 2017? Were there any billings in addition to the fixed fee?

The total billing for this engagement in 2017 was \$32,900.00.

5. Why is the System going out for proposal?

The current contract expires on June 30, 2018.

6. The RFP states contract services are needed beginning July 1, 2018. Would that be to provide an opinion on the June 30, 2017 allocation or would the first audited allocation schedule be for the June 30, 2018 or 2019 year end?

The first opinion would be based on the June 30, 2018 allocation.

7. What were the audit fees for GASB 68 for fiscal years 2015, 2016 and 2017?

2015 - \$36,944.00

2016 - \$30,000.00

2017 - \$32,900.00

8. How many employers and participants per employer were tested in 2015 and 2016?

We do not have records specifying the number of employers and participants per employer tested in 2015 and 2016.

9. Approximately how many days were the auditors in the field performing testing during 2015 and 2016?

We do not have records specifying the number of days the auditors were in the field performing testing during 2015 and 2016.

10. Is any testing performed by the State Auditor used for this audit?

No. The State auditor monitors SERS not MERS.

11. Were there any systemic issues noted from the 2015 and 2016 census testing?

No. There were no systemic issues identified. Accounting report and actuarial report were consistent.

12. If the System could change one thing about the audit process what would that be?

The Retirement Commission has not identified any need for change in the audit process spelled out in GASB 68.

13. When does the System wish to have the GASB 68 allocation issued by?

Last report was for June 30, 2016. June 30, 2017 is late.

14. When is the underlying data that supports the actuarial information for the GASB 68 report available?

After receipt of GASB 67 and 68 for the year in question.

15. What is the System' expectation of the audit process, such as when the audit is performed and length of time to perform the testing.

Meet requirements of GASB 68, by end of year in which actuarial data is received.

16. Have there been any changes to the software maintaining the census data in the past year?

In 2017, the Comptroller's Office implemented a major technical upgrade for the system used to account for the reporting of employer information.

17. Have there been any major issues uploading census data from the various employers in the past year?

The Comptroller's Office continues to work with the various participating municipalities to implement to incorporate the various municipalities into our new system. While there has been a change in system, we do not anticipate major issues.

18. What controls are in place to ensure that contribution amounts and census data provided by the employer are correct?

The purpose of this audit is to ensure there are controls in place and that there are no glaring errors in the underlying data. The Comptroller's Office currently maintains parallel automated and manual systems for auditing and reconciling employer reported information, including contribution amounts and census data. We confirm the contribution amounts are correct based on the earnings provided by the respective employers.

19. Does the System have employer paid member contributions? Also known as pickup contributions. If so, what has the System done to verify which employers have this feature and the dollar amounts involved?

There are both employee and employer contributions for all entities.

20. What are the key qualities that the System is expecting from their auditors?

The System expects that the auditors will have strong knowledge of the GASB 68 requirements.

21. Does the System have a policy to have an independent actuary re-perform the actuary calculation? If so, how often and when was the last one performed?

No. No independent actuary hired. The Accounting firm must rely on valuation completed by actuaries.

22. Has any employer asked the current auditor or the System for additional opinions on internal allocations of the employer contributions for separately audited business-type activities, component units or similar?

Nothing was reported to the Division or Commission.

23. In the RFP, Scope of Services, point #4 states it would "require visits to sponsoring employers", would the System allow remote testing of census data information through a secured portal or does the System require on site visits of the employers? Our firm performs GASB 68 testing for many different state systems and perform this testing remotely which allows for significant cost savings to the System.

Please refer to the Office of the State Comptroller Contract and Conditions attached as Appendix A to the RFP. Any additional terms and conditions not contemplated in the attached contract are subject to negotiations with the contractor selected to perform the services described in the RFP.