ADDENDUM #1
October 26, 2020

This Addendum #1 is issued to the Kansas City Public Library’s Request for Proposals (RFP) for AUDIT SERVICES to make the following changes, additions, deletions, and/or clarifications:

A. Questions/Responses:

The following information is a response to questions asked by firms on October 21, 2020 and October 23, 2020. If you feel that a question has been asked that is not represented/addressed below, please contact Reed Beebe as soon as possible at purchasing@kclibrary.org to address the question. The responses to the questions are indicated in BOLD:

1. When is the Library ready for onsite fieldwork to begin?

The Library is generally ready to begin onsite fieldwork at least three weeks after its year end of June 30th, generally around July 26, 2020.

2. By what date does the Library prefer to receive its financial statements in draft form?

The Library has its Board of Trustees meeting the third Tuesday in September and would prefer to have a final draft to present at that board meeting. The Library would prefer a first draft a week prior to review and work toward a final draft.

3. What disputes, if any, did the Library have with its previous auditor?

The Library had no disputes with its previous auditor.

4. What amount of time did the previous auditor spend onsite and with how big of an on-site team?

Typically, there are two to three auditors onsite for 2 weeks during the audit period. The 2020 audit was performed remotely, but the time incurred was similar. Also, please note that auditors typically conduct two to three days of preliminary audit work in June.

5. What was the nature of any adjusting journal entries that were made as a result of the fiscal year 2020 audit?

Adjusting journal entries are typically reclassing entries or minor adjustments.

6. If the fiscal year 2020 audit resulted in any findings, does the Library expect to resolve those findings for the fiscal year 2021 audit?

There were no findings for the 2020 audit.

7. What was the fiscal year 2020 audit fee?

The fiscal year 2020 audit fee was $40,500.
8. During fiscal year 2021, does the Library expect to expend over $750,000 in federal awards?

No.

9. What significant changes in operations or balances does the Library expect in fiscal year 2021 (e.g. significant new debt, federal grant awards, etc.)?

The Library is not expecting significant changes in 2021, other than changes due to the ongoing COVID-19 pandemic.

10. What accounting system does the Library use?

The Library uses Sage Intacct accounting software, and a double entry accounting method.

11. Is the Library’s general ledger maintained on a cash or accrual basis? If cash, does the Library prepare the necessary accrual entries?

The Library’s general ledger is maintained on a modified accrual basis and the Library prepares the accrual entries.

12. Does the Library have any bookkeeping services provided by external sources? If so, please explain.

The Library utilizes a third-party payroll provider, as well as a foundation for investment purposes, for both internal and other funds. The Library also has an enterprise fund that keeps its own financial records, which the Library reports. The Library also report from another entity, the Kansas City Public School Retirement System, which is included in the Library’s CAFR.

13. Are there any recent instances of fraud or other unusual situations at the Library of which we should be aware?

The Library is not aware of any instances of fraud or unusual operational or accounting situations.

14. With the continued concern about COVID, will you allow auditors to perform the audit fieldwork at your location?

The ability to allow visitors on site will depend on conditions at the time of audit. In 2020, the Library did the audit remotely, with auditors onsite for very limited and specific functions.

15. What date is the Library ready for the audit fieldwork to begin?

As stated in Question # 1 above, the Library is generally ready to begin onsite fieldwork at least three weeks after its year end of June 30th, generally around July 26, 2020.

16. Typically, how many auditors are on site and for how many days to perform the audit fieldwork?

As stated in Question # 4 above, typically, there are two to three auditors onsite for 2 weeks during the audit period. The 2020 audit was performed remotely, but the time incurred was similar. Also, please note that auditors typically conduct two to three days of preliminary audit work in June.

17. What were the fees paid for the 6/30/20 audit?

As stated in Question # 7 above, the fiscal year 2020 audit fee was $40,500.