

Proposal for Financial & Auditing Services

At

Western Tidewater Regional Jail Authority

By

Garner Accounting and Consulting Services

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Lorton, Virginia 22079

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October 3, 2017

All in Red is redacted. All resumes are redacted.

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Profile of Firm

Garner Accounting and Consulting Services (GACS) is a small firm operating out of Northern Virginia. We serve mainly the DC Metro area, including Washington D.C., Maryland and Virginia. We serve both Federal and State governments. We also serve the private sector, such as Defense Contractors. We will accept work as subcontractors, women-owned business and set-asides. We are looking to expand into the Commonwealth of Virginia. We have three employees with extensive audit and financial management experience. We have an independent organizational structure. This means we are team oriented. Our Project Manager, has extensive government and private financial management and audit experience. GACS', Lead Auditor, is a CPA who is a highly experience accountant and has worked in government finance for many years. We also have a Management Consultant who has a mathematics background and will be helping us with the audit requirements, such as statistics and sampling. We are excited about doing business with Western Tidewater Regional Jail Authority.

Audit Approach

Financial Audit

GACS is prepared to perform this audit. We are confident that we would perform a highly professional job with a positive outcome. We understand that the audit must include a Comprehensive Annual Financial Report (CAFR). Two funds will be audited. They are the governmental Enterprise Fund and the Fiduciary Fund. We will audit their components including but not limited to the inmate canteen fund and the aggregate remaining funds. GACS will audit using Generally Accepted Accounting Principles (GAAP), *Government Auditing Standards (GAS)*, issued by the Comptroller General of the United States; *Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations, and Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. All of this is stated in the Request for Proposals.

The audit will result in an unbiased and independent rendering of the Auditor's opinion. If an opinion is stated, that is not unqualified, proper procedure will be followed in providing documentation for an explanation. The scope of the audit will cover the Western Tidewater Regional Jail Authority's (WTRJ) basic financial statements and all financial statement that are components therein. These include statements of governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining funds, as stated in the Request for Proposal.

An integral part of the audit is about your pension program. Our program manager has extensive knowledge about pensions because her client was the Pension Benefit Guaranty Corporation while working for a major CPA firm.

Compliance Audit

GACS will perform that audit in accordance with Uniform Guidance, *Audit of States, Local Governments, and Non-Profit Organizations*, and *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. GACS will provide the following reports:

- 1) Report on Compliance with Requirements Applicable to Each Major Program
- 2) Internal Control Compliance
- 3) Report on Compliance with Commonwealth of Virginia Laws, Regulations, Contracts and Grants
- 4) Schedule of Findings and Questioned Cost
- 5) Form SF-SAC, Data Collection Form for Reporting on Audit of States, Local Governments, and Non-Profit Organization in accordance with Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*.

Management Letter

GACS is fully qualified to identify and report on any material matters concerning the internal control structure and operational matters. Our staff is highly experienced in managerial accounting and cost accounting reporting and techniques.

Comprehensive Annual Financial Report

GACS personnel are highly experienced in financial reporting. GACS will obtain the necessary reports and information from management for their annual submission to the Government Finance Officers Association to obtain the Award for Excellence in Financial Reporting.

Schedule and Timing:

Days	Activity	Result	Conclusion
Week 1 Week 2	Meet with Authority's Director of Administration	Plan and Coordinate the Audit	Progress Chart Developed
Week 3 Week 4	Meet with the Accountants and Financial Management	Obtain General Ledger (GL), Financial Statements and other relevant reports	Request for additional information
Week 5 Week 6 Week 7	Communicate with the Authority and staff when necessary	Analyze data	Preparation for SF-SAC
Week 8	Complete and Deliver Form SF-SAC	Edit and Finalize	SF-SAC
Week 9	Meet with Management	Deliver managerial accounting report	Recommendations
Week 10	Meet with Management by 2 nd Wednesday of November	Issue Comparative Report Transmittal Forms	Agreed upon Procedures.
Week 11	Meet with Management by 2 nd Wednesday of November	Issue a Report	Schedule of Jail Canteen and other Revenue and Expenses Information
Six Months (180 days)	Perform Procedures	Sampling, Statistics, Record Analysis etc.	Local Government financial Test Worksheet
Week 1 Part 2	Meet with the Jail Superintendent	Address any outstanding issues	Memorandum
Week 2 Part 2	Meet with the Authority	Completion of Audit Fieldwork by 2 nd week of August	First Draft
Week 3 Part 2	Preparation, editing and printing of CAFR	Completion of Financial Statements	First Draft
Week 4 Part 2	Analysis and Meeting with Management	Revisions	Second Draft
End of Audit	Rendering of Audit Opinion	Financial Statements and Report	Audit Report
Week 5 Part 2	Presentation to Board	Publish Financial Statements	Plan for next year

Work is planned to start as close to the third week of August and end before the 2nd Wednesday of November.

Estimated Number of Professional Hours by Task

Non-Binding Fee Estimate

Personnel	Hourly Overhead Expenses (Travel/Hotel)	Hourly Wage	# of Hours	Total Hourly Wage	Total Expenses and Wages
Project Manager	5,000	\$100	500	\$50,000	\$55,000
Lead Auditor	5,000	\$80	500	\$40,000	\$45,000
Management Consultant	5,000	\$58	200	\$11,600	\$16,600
Sub Total					\$116,600
Profit				20%	\$23,320
Grand Total					\$139,920

This is negotiable.

Mandatory Criteria

- 1) We affirm that GACS, the firm, our employees and project manager assigned to the audit engagement are properly licensed to perform the scope of the services requested.
- 2) We affirm that GACS meets the independence standards defined in the Ethical Rules of the AICPA and the *Government Auditing Standards*.
- 3) We affirm that GACS meets die peer review standards of the AICPA and the *Government Accounting Standards*.
- 4) We affirm that the staff assigned to the audit has complied with the general standards on qualifications, including continuing educations requirements of the *Government Auditing Standards*.
- 5) GACS indicates a positive commitment to perform the work within the required time frame.

Joan E. Garner, MBA

Chief Executive Officer

October 3, 2017