Question/Answers

RFP Internal Control Audit

1.) Please clarify whether or not South Dakota Science and Technology Authority (SDSTA) is seeking a service organization controls (SOC) report?
No

2.) If not seeking a SOC report, is SDSTA seeking a report/deliverable containing a CPA firm opinion?
Yes

3.) Who are the intended users of the final report deliverable?
SDSTA executives and board, Government agencies, FERMI and other laboratories, Contractors

4.) Is the set of federal, state and sponsor requirements that this internal controls assessment is to be measured against limited only to 2 CFR 200 Uniform Administrative Requirement, Cost Principles, and Audit Requirements as well as Cost Principles for State, Local and Indian Tribal Governments?
Yes

5.) Is the procedure to "identify inconsistencies in internal controls between all SDSTA divisions" expected to be limited to the functional areas of governance, accounting disbursement process, payroll, procurement, property management, information technology, and general segregation of duties for these areas?
Yes

6.) The RFP states, "The selected consultant will review SDSTA's systematic measures . . . "May we assume that the term "systematic" specifically relates to control activities which are automated by means of technology, software, and similar applications?
Includes but not limited to

7.) Both Manager+ and Deltek Costpoint are referenced as applications in the RFP—what other software/applications should be considered in-scope of the review? Examples may involve accounting general ledger software, expense reimbursements, IT ticketing/change management systems, etc.
Depreciation Works – That is our depreciation software

8.) The RFP mentions a procedure to "Review compliance with all standard federal audit files." What is the nature of the audit files to which compliance is to be assessed? Is there an in-house internal audit function or is it in reference to audits performed by other external parties?
The intent here is to request review of retained documentation and its relevance/compliance for federal government audit should we be audited by a federal source in the future.

9.) When does SDSTA expect that the consultant will commence work?
Approximately October 1, 2019

10.) The RFP states that the work is to be performed and the final report delivered by June 30, 2020—other than key holidays, are there any periods times between now and June 2020 that the consultant will be requested to avoid for the performance of work?
September until of 2019

11.) Is the expectation that all work will be performed onsite or may the contractor perform appropriate elements of the work remotely?
Work will be performed onsite and remotely as required by consultant

12.) Are background checks and special credentials/clearance required to access the physical premises?
No

13.) Has the scope of this RFP been previously performed by a consultant within the last 5 years?
No

14.) Han an Internal Controls Audit been performed for SDSTA in prior years? If so, can you share the focus / scope areas, number of audit hours, and level of effort from these previous projects?
No

15.) We noted that the RFP includes the software applications for procurement, accounts payable and payroll. Can you also provide the application for the financial reporting platform?
Deltek Cost Point

16.) For the request to "review compliance with all standard federal audit files", can you please provide number of audit files in scope, date ranges involved, and additional details regarding the audit files included?
To be recommended, discussed, determined

17.) Will our proposal and/or report be shared publicly or with any third parties beyond the SDSTA Board of Directors and Audit Committee?
To be determined

18.) Does SDSTA maintain documented flowcharts /narratives for the relevant business and IT processes?
Maintained in our policies and procedures manuals and DocuShare

19.) Is supporting documentation manual in nature or from IT systems?
Both

20.) Does SDSTA maintain a listing of key reports utilized in performance of internal controls?
Some but not all

21.) Is SDSTA comfortable with the use of offshore resources in addition to the core local team:
Not interested

22.) What is the historical deficiency rate:
This is the first audit of its kind for SDSTA

23.) Has SDSTA performed an analysis over third-party service providers?
No

24.) To further assist with the internal controls testing scoping, please provide:

a. Number of in-scope business processes/sub-processes refer to #5
b. Listing of systems relevant for the audit (limited to Manger + and Deltek Costpoint) – Depreciation Works
c. Number of instances for each in-scope system to be recommended, discussed, determined

d. Number of key controls identified and tested in 2018 None; this is the first audit of its kind for SDSTA
e. Number of divisions to review for inconsistencies in internal controls to be recommended, discussed, determined.