



Response to Questions

RFP No. 22-01 Information Systems Controls Review of FI\$Cal

- 1. Will the State Auditor confirm that the only Department that will be engaged during the review is FI\$Cal?**

Yes. As stated in Section I, B. Statement of Work, paragraph 1, page 2, the scope for the control review is limited to the Department of FI\$Cal.

- 2. Will the State Auditor confirm that only 4 FISCAM control domains to be reviewed will be Security Management, Access Controls, Configuration Management, and Segregation of Duties (as listed in Section I, B, paragraph 2)?**

Yes. As stated in Section I, B. Statement of Work, paragraph 2, page 2, the scope for the control review will include the following specific areas: Security Management, Access Controls, Configuration Management, and Segregation of Duties.

- 3. Is there a page limit for the technical response and a page limit for the résumés?**

There is no page limit for the response or résumés for this RFP. As stated in Section III Proposal Requirements and Information, "Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this solicitation letter."

- 4. For licenses/certification, must all proposed personnel have a license/certification?**

The State Auditor will require lead personnel to possess active licenses/certifications relevant to the performance of a control review. The State Auditor will amend the RFP to reflect this change.

- 5. Can the State Auditor confirm if the "professional certifications or other relevant credentials" requested in the minimum qualifications and experience section is related to the Firm (offeror) or to the proposed individuals who will perform the work?**

Refer to response in #4 above.

6. Can the State Auditor clarify if the font requirements and color of font apply to any graphics and/or tables that may be used?

The State Auditor is requesting that vendors support accessibility standards as much as possible.

7. Will the State Auditor help ensure timely response to audit evidence requests? How many business days are allowed within which Department of FI\$Cal is required to respond to evidence requests?

If the timeliness of providing records/documents is of concern, the Contractor must notify the State Auditor's Office. The State Auditor's Office will discuss the matter with the contractor and will determine the necessary steps to resolve the issue accordingly.

8. Can the State Auditor elaborate and/or define what is meant by the following phrase: "document all relevant functions or sub-functions and the general management and organizational controls surrounding their operation"? (Section I, C, Paragraph 2)

This requirement means that the contractor shall provide documentation of its understanding of all relevant functions or sub-functions and the general management and organizational controls surrounding their operation.

9. Can the State Auditor confirm if there are specific due dates for the first 3 deliverables: risk assessment, audit plan, and workpapers?

As stated in Section I, E. Deliverables, paragraph 1, page 3-4, the contractor will provide the State Auditor's Office with the proposed delivery dates.

10. Are the due dates related to findings for the draft findings or are these to be the final version of the findings after discussion with the Department of FI\$Cal?

The due dates listed in Section I, E. Deliverable, paragraph 2, page 4, are for the final version of findings. The State Auditor will amend the RFP to reflect this change.

11. The RFP states that additional services may be requested during the term of the contract. Please confirm that the contractor will be able to request modification to the contract to account the increased level of effort.

If the State Auditor requests services that are outside the scope of the contract, then the contractor may request an amendment to the contract. The contract will not be amended unless both parties agree to the amendment in writing.

12. If an individual has not been approved to begin work in a reasonable amount of time, would the State Auditor consider updating timelines/due dates for the deliverables?

The State Auditor's Office will make best efforts to approve individuals without unnecessary delay. However, background checks sometimes take longer than anticipated. The State Auditor expects the contractor to plan accordingly and meet timelines and due dates regardless.

13. Would the responsibility of determining the specific level (i.e. SD, MW) of findings be solely the responsibility of the Contractor or would the determination be made in conjunction with the State Auditor, factoring in manual compensating controls?

As stated in Section I, C. Contractors Responsibilities, paragraph 7, page 3, the contractor will, "prepare and document findings detailing the condition, criteria, cause, effect, and recommendation. For each finding the Contractor must determine whether the control deficiency, individually or in combination with others, constitutes a significant deficiency or material weakness".

14. Can the State Auditor clarify the payment schedule/criteria – Is payment invoiced per completed and accepted deliverable or is payment invoiced per hours worked?

Detailed invoicing and payment terms can be found in Section VI, Sample Standard Agreement, Exhibit B - Sample Budget Detail and Payment Provisions (page 50-52).

15. Can the Contractor proceed with subsequent steps/phases of the audit while a submitted deliverable is in review by the State Auditor or is not accepted?

Yes, the Contractor may proceed with subsequent steps/phases of the audit while a submitted deliverable is in review.

16. Due to the current public health environment, will the State Auditor accept electronic submission of the proposal in lieu of hard copies?

No. Proposals must be submitted in hard copy in a sealed envelope to the California State Auditor's office (Section III, G. Submission of Proposal, paragraphs 4-10, page 11).

17. Should the Cost Quote be included within the body of the main proposal document, or should it be included as a separate document?

The Cost Proposal should be included with your proposal as outlined in Section III, F. Cost Detail Format and Requirements, page 10.

18. Is it accurate to assume that the coverage of FISCAM will be limited to IT general controls that are related to financial reporting (as detailed in the GAO Financial Audit Manual and U-C section 315)? Or, will it extend to the other control areas covered by FISCAM not directly related to financial reporting?

As stated in Section I, Purpose and Description of Services, the control review will address the design and operating effectiveness of all relevant controls, as defined by the American Institute of Certified Public Accountants (AICPA), Statements on Auditing Standards (AU-C section 315), to determine whether they can effectively prevent, or detect and correct, errors or fraud that could result in material misstatements to the State of California's Annual Comprehensive Financial Report.

19. Did previous ACFRs include coverage of ITGCs? Will the results of prior year ACFR be made available for planning purposes?

Yes, previous ACFRs included the coverage of ITGC's, and the results will be made available for planning purposes.

20. Based on review of the State Auditor reports, will the assessment include evaluating the remediation (and coverage) of the development and implementation issues previously identified?

The contractor will be expected to follow up on any outstanding findings issued by the State Auditor's Office related to the audit of the ACFR.

21. Does FI\$Cal maintain a risk and control matrix or a control inventory over IT General Controls? Have any previous evaluations of the controls been completed? Will these be made available for planning purposes?

Please refer to our *State of California Internal Control and Compliance Audit Report* for Fiscal Year Ended June 30, 2019 located on our website, at <https://www.bsa.ca.gov/pdfs/reports/2019-001.1.pdf>.

22. Is the assumption that Segregation of Duties will focus on the IT functions (developers, administrators, etc.) relating to IT general controls accurate? Or will this extend to business process functional segregation (e.g., procurement users, accounts payable users, etc.)?

The RFP does not include within the scope of work any of the business processes of the FI\$Cal application.

23. Does the indemnification clause found on page 55, Section 8, (c) require the Contractor to indemnify the State from causes of action caused by persons other than the Contractor (or a subcontractor of the Contractor), so long as the cause of action is connected to the performance of the Agreement?

The Contractor must indemnify the State from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of the Agreement.