

Item No.: 5
Meeting Date: April 22, 2021



Financial Audit Services Contract Extension

Request

Request authorization to extend the financial audit services contract No. 070369 with RSM US LLP for one year to complete the 2021 financial and single audits, increasing the contract value by a not to exceed amount of \$77,000 (total contract value of \$322,500).

The amendment will be brought to the Managing Members for authorization per Master Policy Resolution No. 2020-02, section 8.G.iii.

Background – Auditors

Type of Audit	NWSA	POS	POT
Annual Financial Audit	RSM	Moss	RSM
Single (Grant) Audit	RSM	Moss	RSM
Accountability Audit	SAO	SAO	SAO



Background

- In 2016, RSM was awarded contract to perform the financial audits - Restrictive procurement
 - 3 yr. contract with two extension options (2016-2020)
 - Audit costs for the 5 years 2016-2020 were \$245,500
- Planned to issue RFP for 5-year audit contract in 2020



Reasons for the Extension

- Pandemic situation – Expected to last into mid 2021
- Complete adoption of GASB 87 Leases
- Remote work environment challenges/risks:
 - Ensure well vetted RFP process
 - Challenges with on-boarding new auditors
 - Complexity of Port operations and NWSA Joint Venture
- Leverage homeport auditors for new 5-year contract

Scope of Audits

Scope of Audit for 2021

- Annual Financial Audit
- Single Audit (grant audit)



Financial Implications

5 Year contact (2016-2020)	\$	245,500
Extension period (2021)		77,000
Total Contract	\$	322,500

The 2021 audit costs are included in the 2021 Finance budget.

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