



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)	<u>77,000</u>
<b>Total Contract</b>	<b>\$ 322,500</b>

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

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