

NCTA
 Auditor RFP Questions and Responses
RFP #309-IAS0119

Question

Response

1. How many financial or reporting applications does the Authority run?	One financial reporting package - SAP r/3
2. How many operating systems does the Authority host for their production environment?	One OS jointly supported by NCTA and NCITS; Toll operations will be hosted on site at future location of Customer Service Center (not yet established at the time of this RFP).
3. The North Carolina Turnpike Authority website includes a financial statement for the year ended June 30, 2007. Is a financial statement for the year ended June 30, 2008 available?	June 2008 financial audit is in process of being scheduled by State Auditor; Audit report will be posted to website upon completion of Audit.
4. (a) Is there any electronic toll collection (ETC)? (b) If so, is any part of the electronic tolling outsourced? (c) Is the same or separate vendor used for credit card authorizations and replenishment?	<p>4 (a) Yes.</p> <p>4 (b) The operations of the service center and the service center software will be provided by a contractor.</p> <p>4 (c) The NCTA's Back Office Contractor shall interface with and use the NC state Credit Card Processor for processing all credit and debit card, and ACH transactions. NC has a Master Contract with First Data Corp through SunTrust for Credit Card Processing.</p>
5. What percentage of revenue is through electronic tolls?	Refer to the <i>Triangle Expressway Comprehensive Traffic and Revenue Study</i> located on the NCTA website.

<p>6. (a) Does the ETC and/or credit authorization vendor currently provide a SAS 70? (b) What period of time do the reports cover?</p>	<p>6 (a) The NCTA Toll Collection System Back Office Contractor and Operations Contractor will be required to submit a Service Auditor's Report (Type II) prepared in accordance with, and resulting from an audit according to Statement on Auditing Standards (SAS) No. 70, Service Organizations, of the American Institute of Certified Public Accountants (AICPA), or a Section 5970 Canadian equivalent. The initial SAS 70 Audit will be required of the BOS Contractor as part of the final acceptance of the BOS.</p> <p>6 (b) The initial SAS 70 Service Report for the Operations Contractor will be due at the end of the initial year of operations. Both the BOS Contractor and the Operations Contractor will be required to submit SAS 70 Reports on their NCTA project on an annual basis while under contract.</p>
<p>7. (a) Does the NC Turnpike receive appropriations from the State of NC? (b) What are current toll/revenue levels?</p>	<p>7 (a) Yes - NCTA is scheduled to receive appropriations from the State of NC as follows: Gaston East West Connector - \$35 million beginning in FY2011 Mid Currituck Bridge - \$15 million beginning FY2010 Monroe Connector/Bypass - \$24 million beginning FY2010 Triangle Parkway - \$25 million beginning FY2009</p> <p>7 (b) Current toll revenue levels are \$0, as roads have not been started as of this RFP. Please check the website for current project Traffic and Revenue reports.</p>
<p>8. For Section V of the proposal package, in lieu of an audited financial statement of the CPA firm, what similar evidence of financial stability would be sufficient enough to comply with your requirements?</p>	<p>Submit audited financial statements as required in RFP</p>
<p>9. (a) Assuming that we are preparing the June 30, 2008 audit, (b) when will the financial records be available for the audit?</p>	<p>9 (a) The NC State Auditor will prepare Audited Financial Statements for period ending June 30, 2008. The first audit report under this RFP will be for period ending June 30, 2009.</p> <p>9 (b) Pending execution of personal services contract, the NCTA Audit Committee will direct NCTA's financial staff to make financial records available at earliest possible time.</p>
<p>10. Are all financial records maintained in your Raleigh office?</p>	<p>Records are maintained at Raleigh Glenwood office. Some historical and contractual documents are also on file at NCDOT's office on Wilmington Street.</p>

11. When is the financial audit due to the Authority?	The initial Audit under this contract will be for FYE June 30 2009. The Annual Audit report is due to NCTA Audit Committee by October 1, 2009. For additional audit years the Annual Audit Report will be due October 1st, following future Fiscal Year End close.
12. Will the Authority prepare a draft of the financial statements and MD&A section?	Yes, NCTA will continue to receive assistance from the Office of State Controller in the preparation of our CAFR, which includes a draft, unaudited financial statement. NCTA has and will be responsible for drafting the MD&A
13. In addition to advances from the Highway Trust Fund and capital grants, has the Authority received other major sources of funds that will be subject to special audit requirements?	No additional audit requirements are foreseen at the time of this RFP.
14. In relation to the capital grants, who provides these grants and is there any special audit requirements subjected to them, other than those associated with GAS audits?	There are no special or capital grants provided for capital construction activities. Explanation with regards to sources of funds can be discussed after successful execution of professional services contract
15. What are some of the major changes from the June 30, 2007 audit financial information that would be helpful to adequately develop the cost of services?	Construction on the first toll project will begin in 2009; 2-3 additional projects could be under way in the next 18-24 months, including a PPP arrangement for the Mid Currituck Bridge.
16. How is the Authority doing on correcting/implementing the State Auditor's finding/recommendations from the June 30, 2007 audit?	All recommendations received by the NC State Auditor regarding accounting adjustments and responses to the MD&A, have been implemented and corrected as of July, 2008.