

RFQ QUESTIONS and ANSWERS

Q1. According to Note 8 of the FY2023 financial statements, Sanilac County Community Mental Health Authority has an OPEB plan that is measured using the alternative measurement method. Due to concerns about auditor independence, would Sanilac County Community Mental Health Authority consider preparing the alternative measurement method calculations internally or hiring a 3rd party CPA firm to prepare them on behalf of management?

A1. Yes. We would be willing to do that. The previous auditors did that calculation, but because of the concern of audit independence, we would do it internally or seek 3rd party.

Q2. Do you anticipate a single audit in 2024 or any subsequent years?

A2. Yes. Currently have our CCBHC Grant. Combined with other federal grants, it puts us close or over the threshold to need a single audit. We will have a single audit. This was our first year, so it was a new process to us this year.

Q3a. Page 7 of the RFQ indicates that all necessary reports are to be delivered to the Sanilac County Community Mental Health Authority's Chief Financial Officer and submitted no later than March 31st.

The submission deadline for the compliance audit, established by MDHHS, is the earlier of 30 days after receipt of the practitioner's report, or June 30th following the contract year end. Can you clarify whether the compliance audit is required to be completed/delivered no later than March 31st?

A3a. No. We would follow the MDHHS guidelines and the report would be due by June 30th.

Q3b. The submission deadline for the single audit, established by the Code of Federal Regulations, is the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period (June 30th). Can you clarify whether the single audit is required to be completed/delivered no later than March 31st?

A3b. The single audit would follow the CFR deadline of June 30th as well.

Q4. Sanilac CMH is part of Sanilac employee pension/retirement plan. Have you had a discussion with those at the County level or the board to discuss the disconnect between those assets and liabilities?

A4. It came up this year. Our former auditor recommended we set up a meeting with the actuary to determine if this is currently being reported in the best way, or if we should be making a change to the reporting process. We need to have that conversation, but because of our contract ending with that audit firm, it's on hold right now.