Chattanooga Metropolitan Airport Authority
Professional Audit Services
RFP Addendum 1

The following sets forth questions, answers and clarifications resulting from the RFP process. The Authority's responses are in BLUE.

The Authority hereby clarifies that addenda issued pursuant to this RFP will be posted on the Airport's website and sent via e-mail to the Participants who submitted questions.

Addendum No. 1 is published on April 17, 2024 as follows:

Additional clarification:

1. Please describe the size of the audit team and how many days they were on site? How much of the audit do you prefer to be performed virtually vs on site?

    The audit team in the past was usually made up of 3 auditors. Typically, two are here on a daily basis and third comes and goes as needed to review. The audit generally lasts about 4-5 days onsite, when a couple days of preliminary is done advance of the audit. Our records are split between electronic and hard copies, so we would prefer mostly onsite review of records

2. What account system is used? How do you track the grant and program activity?

    We use QuickBooks with significant excel tracking for details and internal financial preparation. For grants we use the Black Cat system for state grants and Delphi for Federal Grants. There are excel spreadsheets for each project with supporting invoices, payments, balances, etc.

3. Have you had any audit entries in the last 3 years? Please describe? Do you anticipate any entries for 2024? Do you anticipate any other challenges that are not customary to the audit in 2024?

    We have had very few audit entries. These have all been related to adjust GASB related accounts. We do not anticipate any except possibly any that might be required for the

new GASB related to subscriptions or adjustments to the lease GASB. We do not anticipate any additional challenges not explained above.

4. Did you have any disagreements in the past with the auditors about accounting policies?

   We had no disagreements in the past.

5. How often is the grant and program activity reconciled to the general ledger?

   They are matched continuously. Most projects and grants have their own general ledger account number so as payments are received, they are matched against its respective spreadsheet.

6. What are the major changes to the 2024 financial statements compared to 2023? Expecting similar operating results?

   Other than additional GASB implementations, we expect similar operating results.

7. Please describe how the information for the defined benefit pension plan and the other post-employment benefit obligations footnote is gathered and drafted into the footnote.

   The information is gathered from the city's reports that break out our portion. We have spreadsheets that we update that tie back in to their reports.

8. To whom should we address the proposal to?

   Please address to Anne Marie Ivey.