

## USACE Industry Day Questions

1. For FY 06 will USACE have adopted requirements of OMB A-123 and prepared the assertion about internal control over financial reporting as required by APPA?

**Answer: Yes, USACE will adopt the requirements of OMB A-123 and prepare the assertion about internal control over financial reporting as required by APPA. This is an OSD requirement.**

2. Is the OIG requesting an audit of management's assertions over control under APPA of OMB A-123? Or is the exception for IPA control work solely related to that required based on financial statement audit?

**Answer: No. There is not a plan to have a FISCAM review of CEFMS.**

3. What are (if any) the significant estimates impacting the USACE financial statements? For example, are there any actuarially-based estimates or any items recorded based on appraisals?

**Answer: There is no large scale or overall actuarially-based estimate.**

4. Are some covered by MOU regarding assets?

**Answer: Yes, there are some estimates covered by the MOU. Estimate per asset basis in some cases.**

5. What work will be done by the OIG?

**Answer: Primary work of the OIG is to serve in the role of Contracting Officer's Representative (COR). There will be a significant amount of work done on the balance sheet. Contractors may view audit reports posted on the OIG website. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/audit/reports>. Additionally, memorandums not issued as a formal report will be available on the OIG website <http://www.dodig.mil/Audit/reports/index.html>.**

6. What are the USACE processes about capturing the reporting liabilities other than A/P such as any environmental liabilities, contingencies, etc.?

**Answer: Environmental liabilities AAA picked up on were DOE program. Contingency liabilities were included in the footnotes as not approved.**

7. Has the OIG looked at these processes?

**Answer: No. The OIG has not reviewed these processes.**

8. Is USACE prepared to do full and complete “close” as of 3<sup>rd</sup> quarter FY06 including preparation of financial statements, schedules, etc.? This would be necessary for IPAs to conduct sufficient audit tests on 06/30/06 balances and to perform roll-forward test through 09/30/06 in order to meet DoD reporting deadlines.

**Answer: Yes, USACE can produce 3<sup>rd</sup> quarter financial statements.**

9. Would NAVAIR/DoD OIG reconsider the requirement to submit information with each task order response that has already been submitted with the MAC proposal (i.e., Quality control/assurance details; firm’s quality assurance processes; peer review reports; PCAOB reports; and subcontracting plan/strategy)?

**Answer: An e-mail was sent to IPA contractors requesting their latest peer review reports and letters of comments, if any, and any responses to the peer review reports, as well as the most recent internal inspection reports. To eliminate redundancy, a permanent file is being created, however, the contractors will be required to provide period updates. Contractors must submit any changes to latest peer review reports and letters of comments, if any, and any responses to the peer review reports, as well as the most recent internal inspection reports.**

**Due to the teaming arrangements, the subcontracting plan/strategy may be required for each task order Request for Proposal. The contractor shall address their strategy for utilizing Small Business and Small Disadvantaged Business (SDB) concerns in the performance of each task order.**

10. Will the contractor be issuing the opinion or DoD OIG?

**Answer: The DoD OIG will opine.**

11. Please review anticipated timing from RFP to award to execution and completion of work/report.

**Answer: The process starts with the USACE. The Executive Steering Committee (ESC) will meet to evaluate the USACE submission and request to proceed with audit. With approval from the ESC, USACE will proceed and provide the OIG with a Statement of Work. There will be a four to six week review process before issuing the 48 Hour Notice of Intent. Within two to three weeks after releasing the 48 Hour Notice of Intent, a Request for Proposal will be released and the contractors will be required to submit a proposal. Based on the number of proposals received, the evaluation process will take two to four weeks.**

12. Are team member’s additions of existing primes (as new subs/team member to another prime) subject to the same submission requirements as team member’s additions from new entrants?

**Answer: Team member's additions and substitution of team members are to be reviewed by the OIG and PCO. The PCO will provide approval/disapproval of the addition of team members and sub in writing to the prime contractor.**

13. Can we get specific feedback on our Notice of Intent that has been submitted?

**Answer: The Government will not provide feedback on the submission of 48 Hour Notice of Intent. In accordance with Federal Acquisition Regulation (FAR) 15.506, successful and unsuccessful offerors may request a debriefing on the submission of their proposal.**

14. Will the task order RFP include all five statements or just the balance sheet?

**Answer: The task order RFP will include only the balance sheet determined by the USACE assertion letter.**

15. Does the language in the FY06 NDAA affect the USACE audit or will the audit continue without respect to the NDAA language if OSD(C) accepts the USACE assertion?

**Answer: The language of the FY06 NDAA limits the dollar amount. Meetings with Congressional committees and USACE Civil Works are not part of NDAA.**

16. Civil Works has a revolving fund for its Construction-in-Progress. Is the financial statement to be audited a single statement that includes the revolving fund, or are there two separate statements that require one opinion?

**Answer: There will be one Civil Works statement which will include the revolving fund.**

17. Will the task order RFP be released only after the ESC accepts the USACE assertion package or could the RFP be released before the ESC determination?

**Answer: The task order RFP will be released after the ESC determination.**

18. Under the OMB's Accelerated Schedule for FY06 financial statement, what are the due dates for both the USACE financial statement as well the issuance of an audit opinion?

**Answer. The COE financial statement is on or about 21 October 2006 and the issuance of the audit opinion is on or about 08 November 2006**

19. Will CPARS or past performance checks be performed on all team members of the prime or just over the submitted past performance and references listed in the offerors proposal?

**Answer: All past performance information will be reviewed.**

20. Will personnel proposed for his USACE effort be required to have security clearances and if so what level?

**Answer: Yes, all proposed personnel are required to have a (interim) Secret clearance.**

21. Will award fees from utilizing small businesses be applicable to Lots I and II as they utilize other small businesses that are current team members?

**Answer: No award fees will be applicable to Lots I and II which utilize other small businesses.**

22. Is it expected that the task order awardees will have usage of USACE staff? AAA staff? If so, how many? What level? How much in terms of hours/weeks?

**Answer: The task order awardee will not have usage of USACE or AAA staff. A formal entrance conference will be held with the contractor, USACE, and the COR to provide the contractor an opportunity to discuss contractual requirements and any other pertinent information within 5 business days after task order award.**

23. Is there a SAS 70 to rely on for CEEIS and CEFMS? If not, how can an awardee properly assert "audit readiness" if there will not be reliance/assurance on those systems?

**Answer: No, there is not a SAS 70 to rely on for CEEIS and CEFMS. The contractor will take the responsibility and determine the need of independent testing.**

24. Has the USACE implemented any of the new A-123 requirements?

**Answer: Yes, USACE has implemented the new A-123 requirements.**

25. How much work will be required overseas? Where?

**Answer: Primarily, the task order place of performance will be CONUS. If applicable, OCONUS will be limited to military installations. The task order RFP will provide the place of performance.**

26. What type of clearance will be required? What level?

**Answer: All proposed personnel are required to have a (interim) Secret clearance.**

27. What is the DoD OIG/USACE expectation of IPAs regarding FY06 opening balance sheets (09/30/05) if OIG issues disclaimer?

**Answer: The disclaimer shows how much you can have on the balance sheet.**

28. Will USACE restate/correct the 09/30/05 balance sheet as a result of its corrective actions?

**Answer: Most corrective actions are completed. USACE will restate/correct the 09/30/05 balance sheet only if there is a material issue. There will be no assurances for the beginning FY06 beginning balance sheet.**

29. Should IPAs plan to reaudit the restated 09/30/05 balance sheet as part of the FY06 audit?

**Answer: USACE will restate/correct the 09/30/05 balance sheet only if there is a material issue. There will be no assurances for the beginning FY06 beginning balance sheet.**

30. Is USACE “get well plan” available for distribution/review?

**Answer: Yes, Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/audit/reports>. The USACE “Get Well Plan” can be accessed at <http://www.dodig.mil/audit/financial/financial.htm>. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>. AAA reports are restricted to military domains and GAO. The AAA and any “For Official Use Only” reports will be provided to the task order awardee upon request.**

31. Can we obtain a copy of the DoD OIG –USACE MOA titled “Support for Recorded Book Cost of General PP&E Assets, USACE Civil Works” dated 06/09/04?

**Answer: Yes, a copy of the MOA is available on the OIG website <http://www.dodig.mil/audit/financial/financial.htm>.**

32. Is there a quarterly and year end continuation process performed over Accounts Receivable to support calculated balances?

**Answer: Yes, there is a continuation process performed over Accounts Receivable to support calculated balances.**

33. As it related to Construction-in-Progress, has the USACE performed any contract reviews to determine overpayment to services providers and if so what were the results?

**Answer: No, USACE did not perform any contract reviews to determine overpayment to service providers. This function is tracked by the Finance Center.**

34. Is there a quarterly and year end confirmation process performed over Accounts payable to support the financial statement balances?

**Answer: Yes, there is a confirmation process performed over Accounts payable to support the financial statement balances.**

35. We were briefed that USAAA was not reviewing remediation actions to correct Fund Balance With Treasury (FBWT) deficiencies? Will FBWT be asserted by the USACE?

**Answer: Yes, the assertion of the financial balance will go to the ESC. USACE will show how issues were addressed.**

36. During the last Industry day, Mr. Granetto stated there were approximately 18 task orders ready for release but Congress held up funding. Can you provide a status on the task orders and the funding (i.e. \$977M)?

**Answer: At this time the Government will not provide a status on the task order and funding.**

37. Will the balance sheet line items be issued as separate task orders or one balance sheet task order?

**Answer: The USACE task order will be issued for one balance sheet.**