

The following questions were posed by a prospective Vendor for the MWRA Employees' Retirement System's RFP for Audit and Accounting Services. MWRAERS' responses follow.

1. A copy of prior year deliverables

The prior year deliverables consisted of a routine audit report, management letter and opinion letter, in addition to the CAFR. The CAFR may be found here:

[https://www.mwraetirement.com/sites/default/files/fileattachments/general/page/120/mwraers\\_cfr\\_12-31-19.pdf](https://www.mwraetirement.com/sites/default/files/fileattachments/general/page/120/mwraers_cfr_12-31-19.pdf)

2. When is MWRA looking to have this work completed? When will the Board have a trial balance available to begin work?

The Board needs the work completed as early as possible each year. The Statement of Financial Condition, which is done by Board Staff, must be submitted to the State regulatory authority, PERAC, on or before May 1 each year. The trial balance will be completed no later than mid-April each year, although the confirms to our managers/vendors and other "field work" generally start well before then. The CAFR deadline is June 30, and it entails collecting, evaluating and coordinating System reporting with annual valuations of our actuaries, and our Consultant's reporting in a format which meets GFOA's requirements.

3. Does the Board draft its' financial statements or the auditor? Also, who has historically drafted the MD&A within the Independent Auditor's Report?

The Auditor does their own financial statements for the Audit report, and reports/explains any variances from the System's records, e.g. such as those which might arise from report timing or cost/market

4. Could you please provide us with a breakout of the fees paid over the past three years for audit services?

Fees for the 12/31/2017, 2018 and 2019 financial years for the Retirement System Audit, CAFR and related documents were \$24,000, \$24,500 and \$25,000 respectively.

5. Have there been any significant changes to the Investment structure of the Board since it's last audit?

The Board has made significant asset allocations changes since December 31, 2019 given the current economic climate, but not to the overall structure of the portfolio.

6. Have there been any disagreements between auditor and the Board?

No, there have not been any disagreements between the Auditor and the Board. We mutually benefit from high expectations.