



Financial, Compliance, and Single Audit

*Questions and Answers
Updated December 2, 2019*

- 1. Are any senior management members or Board members new to the organization? Have there been any major changes to US Ignite's operations in 2019?**

On November 14, 2019, US Ignite added a new Board Member. There have been no senior management team member additions to US Ignite's team in the past year.

- 2. Are the finance/accounting functions performed in-house? If not, who is the outsourced accountant and how long has US Ignite been with them?**

US Ignite relies on a financial accounting firm (Marcum LLP) for its day-to-day bookkeeping and accounting services. Marcum, LLP, formerly Raffa P.C, has partnered with US Ignite since 2012. The US Ignite Chief Executive Officer, Finance Director, and Director of Program Operations review and approve all budgets and financial transactions.

- 3. Financial statement specific questions:**

- a) Any new or significant changes related to federal grants for FY 2019/FY 2020 (grantors or amounts)?**

In 2019, the Engineer Research and Development Center awarded US Ignite a DOD contract for \$4 million and the National Science Foundation awarded \$9 million, the third of four planned Platforms for Advanced Wireless Research awards to which US Ignite passes-through to sub awardees and oversees management.

- b) Any major system changes that relate to the financial reporting process (general ledger, accounts payable, time/expense, payroll, etc.?)**

There are no major system changes that relate to the financial reporting process.

- c) Any other changes we should be aware about from a financial statement perspective?**

No, there are no other changes that proposers should be aware about from a financial statement perspective.

- 4. Questions related to current auditor:**

- a) How long have you been with them?**

We procured the services of the incumbent auditor in 2013.



b) Are they being included in this RFP process?

Yes, the incumbent auditor was invited to respond to this RFP.

c) Is there a reason for the change?

It is US Ignite's stated policy to re-bid contracts for ongoing service providers (e.g., auditing, marketing, legal) at least once every five years to ensure fair and reasonable pricing. That -- the timing out of our existing contract per our internal policy guidance -- is the reason for this RFP.

d) What, if anything, can you tell us about the fees you're currently paying? What does management/the Board think of these fees?

US Ignite requests that proposers review the scope of work and develop fair and reasonable fees.

5. Do you have any expectations as to who you would like as part of your audit engagement team?

No, US Ignite does not have any expectations regarding who we would like as part of the audit team.

6. Timing of the audit:

a) Have your auditors perform both interim (preliminary) and year-end fieldwork testing at once, or have they come out on two different occasions?

US Ignite has typically had all fieldwork testing occur at year-end.

b) When would you like the audit fieldwork to be performed?

Any time after April 15, 2020. Please note that the draft report shall be issued by the auditor to US Ignite for review no later than June 8, 2020.

c) How many days/weeks do your current auditors spend on-site?

Typically, the incumbent auditor has spent a total of 1-2 days at US Ignite's offices in Washington, DC.

d) When is the earliest US Ignite could be ready for audit fieldwork to be performed?

After April 15, 2020.

7. The proposal did not specify tax services. Will you be staying with your current vendor, or should we include tax services in the proposal we submit?



US Ignite does not require tax services since our bookkeeping and accounting vendor provides these services.

- 8. We are working on the proposal and wanted to get an idea of the level of activity for the year. Do you have preliminary numbers you could provide us with through 9/30 or 10/31 (P&L)?**

US Ignite recommends that proposers review the Federal Audit Clearinghouse Audit Report for the year ended December 31, 2018, as we anticipate 2019 results will be similar.

- 9. Confirming that the preparation of the Form 990 and related filings is not a part of this proposal?**

Preparation of the Form 990 and related filings are not part of this solicitation.

- 10. Can you provide a brief summary of your accounting function and the capabilities/experience of those involved in the accounting team?**

Please see the response to Question 2.

- 11. Which accounting software do you utilize?**

US Ignite uses Sage Intacct, Inc.

- 12. Lastly, besides price, what are you looking for and/or what do you value most in an audit relationship?**

US Ignite values teamwork, open communication, collaboration, and promptness.

- 13. Have material weaknesses, significant deficiencies, and/or instances of noncompliance been reported during the last two years?**

Please review US Ignite's 2018 and 2017 Financial Statements and Audit Reports on the Federal Audit Clearinghouse.

- 14. How many audit adjustments have been posted by the prior auditors in each of the last two years?**

2017: 0

2018: 5

- 15. How long does fieldwork typically take?**

Fieldwork typically takes two days on-site and one week in total.



16. Have the new revenue recognition ASUs (ASU 2014-09 and 2018-08) been implemented?

Please review US Ignite's 2018 and 2017 Financial Statements and Audit Reports on the Federal Audit Clearinghouse.

17. Are there any pending or threatened lawsuits against the US Ignite?

There are no pending or threatened lawsuits against US Ignite.

18. Other than the federal government, are there 3rd party users of the financial statements?

US Ignite's financial statements are shared with its Board of Directors, as well the Federal Audit Clearinghouse. As US Ignite is a 501(c)3 organization, the general public is able to request a public disclosure copy of US Ignite's financial statements for review.

19. What are the primary external and internal challenges US Ignite is currently facing?

US Ignite is not facing any primary external or internal challenges.

20. Can you provide a brief overview of your Information Technology structure?

US Ignite is led by a Chief Technology Officer and a Director of Technology. The organization uses outsourced, cloud-provided software and data management services for its operations, primarily GSuite provided by Google for Non-Profits.

21. Have there been any disagreements with your current auditors regarding accounting policies, auditing procedures, disclosures, or reporting matters?

No, there have not been any disagreements with our current auditors regarding accounting policies, auditing procedures, disclosures, or reporting matters.

22. The organization appears to have grown significantly since inception. If any major changes are expected in the next 4 years, such as any changes in organizational structure or addition of major programs, could you please specify?

US Ignite continues to pursue business development opportunities (federal, foundation, for-profit, municipal) that align with US Ignite's mission to advance technology research that's at the heart of smart city development. Though there are no major, anticipated changes in organizational structure, US Ignite anticipates adding new programs and additional staff in the next four years.



23. As a relatively new organization, would you mind sharing the direction of the organization from a financial standpoint? For us to provide pricing for up to 5 years, just looking to see what you think your organization looks like over the next 4-5 years. Do you have forecasts that you could share?

US Ignite requests that proposers review the scope of work and develop fair and reasonable fees.

24. Are there other related or affiliate organizations other than PAWR?

No. There are no other related or affiliated organizations other than the wholly owned subsidiary PAWR, LLC.

25. To reduce the travel costs that will be separate from the audit costs, if currently all work is on site, would you be open to offsite auditors for a portion of the audit work? This would include the use of secure file exchange site for organized transfer of audit information and video/audio communication tools for collaboration.

Absolutely. US Ignite is open to offsite auditors for a portion of the audit work.

26. Have any program reviews from resource providers or oversight agencies that have identified or communicated any findings?

In November 2019, US Ignite received a letter from the National Science Foundation (NSF). The letter indicated that NSF reviewed US Ignite's organization's Single Audit report for the fiscal year ended December 31, 2018, and there were no findings identified that require NSF resolution. Therefore, NSF considered the FY2018 audit report resolved and closed.