

Mrs Lorraine Kelly

November 24, 2024

Interim Chief Financial Officer

Virgin Islands Water & Power Authority

P.O. Box 1450

Charlotte Amalie, St. Thomas

US Virgin Islands, 00804-1450

Subject: Consulting Assistance for Single Audit

Dear Mrs Kelly:

Robert Half, through our Management Resources Division, is pleased to provide this proposal.

To assist with the single audit. The prior audit had several items the auditors detailed as non-compliance and the support provided by this contract will go towards assisting to mitigate certain of the issues raised and to assist to the Authority can complete the single audits. Goals are:

- Preparation for Single Audit
- Review reconciliations and analyses that will be provided to the auditors for the single audit
- Complete accounting reconciliations for the single audit
- Coordination with single-auditors
- Other tasks needed to provide responses to the Auditor's Requests for information

Note: This work will be completed off-site.

Monthly Cost: \$51,600/ month

Term: 12 months

Scope:

### WAPA Single Audit Findings

Finding Number	Finding Detail	Robert Half Scope
<b>2020-002: Year-End Close Process</b>	<ul style="list-style-type: none"><li>• Timeliness and Methodology of Close Process</li><li>• Accuracy of Liabilities</li><li>• Due from Other Governments</li></ul>	<ul style="list-style-type: none"><li>• Assist the Authority with its analysis and reconciliation of general ledger accounts reconciliations, including</li></ul>

	<ul style="list-style-type: none"> <li>• Accuracy and Timing of Interim Financial Statements</li> </ul>	<p>assets, liabilities, revenue and expenses</p> <ul style="list-style-type: none"> <li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial statements</li> <li>• Assist the authority with year-end close and management of the single audit</li> <li>• Assist with coordination with the auditors and submission of requests for data.</li> <li>• Assist to monitor and administer storing of reporting and analyses for the audit in either a shared or network file.</li> <li>• Assist with preparation of the financial statements and reconciliation with the general ledger</li> <li>• Assist with preparation of any audit schedules requested</li> <li>• Advise the Authority regarding its periodic review of bond and loan agreements to analyze compliance with applicable covenants. The Authority will be responsible for all compliance requirements and related management decisions.</li> </ul>
<b>2020-003: Grants Management</b>	<ul style="list-style-type: none"> <li>• Control Systems Over the Schedule of Expenditures of Federal Awards</li> </ul>	<ul style="list-style-type: none"> <li>• Assist the Authority with its analysis and reconciliation of general ledger accounts reconciliations, including assets, liabilities, revenue and expenses related to Grants income and receipts and expenses</li> <li>• Assist the Authority with its analysis and reconciliation of general ledger accounts reconciliations related to SEFA</li> <li>• Assist with preparation of any audit schedules requested</li> </ul>

<b>2020-004: Capital Assets and Related Expenditures</b>	<ul style="list-style-type: none"> <li>• Reconciliation of Subsidiary Register(s) and Rollforward Schedules</li> <li>• Construction Work-in-Process</li> <li>• Impairment Process and Inventory</li> </ul>	<ul style="list-style-type: none"> <li>• Assist the Authority with its analysis and reconciliation of general ledger accounts reconciliations, including assets, liabilities, revenue and expenses including leases, depreciation</li> <li>• Assist with preparation and review of any audit schedules requested</li> </ul>
<b>2020-005: Bank Accounts</b>	<ul style="list-style-type: none"> <li>• Strengthen Controls Over Bank Reconciliations</li> <li>• Increase in Cancelled Check Activity</li> </ul>	<ul style="list-style-type: none"> <li>• Assist Authority with its analysis and reconciliation of cancelled checks,</li> </ul>
<b>2020-006: Regulatory Assets and Liabilities</b>	<ul style="list-style-type: none"> <li>• Administration and Recordkeeping</li> </ul>	<ul style="list-style-type: none"> <li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial statements</li> <li>• Assist with preparation and review of any audit schedules requested related to assets and liabilities</li> </ul>
<b>2020-007: Other Post-Employment Benefits (OPEB)</b>	<ul style="list-style-type: none"> <li>• Administration and Recordkeeping</li> </ul>	<ul style="list-style-type: none"> <li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial statements</li> <li>• Assist with preparation and review of any audit schedules requested related to post-employment benefits/ OPEB</li> </ul>
<b>2020-008: Data Collection Form and Single Audit Reporting Package</b>	<ul style="list-style-type: none"> <li>• We recommend that the Authority establish controls to ensure the reporting package is submitted to the FAC annually within the required timeframe</li> </ul>	<ul style="list-style-type: none"> <li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial statements</li> <li>• Assist with preparation and review of any audit schedules requested included in the Data Collection Form and Single Audit Package</li> </ul>
<b>2020-010: Allowable Costs/Cost Principles;</b>	<ul style="list-style-type: none"> <li>• We recommend that the Authority improve internal controls to ensure adherence to Federal regulations related</li> </ul>	<ul style="list-style-type: none"> <li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial</li> </ul>

Period of Performance	to the fiscal and administrative requirements for expending and accounting for all funds	statements related to reimbursable costs
<b>2020-011: Cash Management</b>	<ul style="list-style-type: none"><li>• We recommend that the Authority comply with the specified requirements and establish adequate policies and procedures to ensure that it minimizes the time elapsing between the transfer of funds from the U.S. Treasury or pass-through entity and disbursement for program costs.</li></ul>	<ul style="list-style-type: none"><li>• Assist with preparation and review of any audit schedules requested related to assets and liabilities related to cash and cash equivalents, investments and associated credit facilities</li><li>• Assist with preparation and review of general ledger account reconciliations for all aspects of the GL/ financial statements related to reimbursable costs related to cash and cash equivalents, investments and associated credit facilities</li></ul>

Please let me know if you have any questions.

We look forward to assisting your organization during this process.

Sincerely,

Ralph Rehn

Senior Vice President

1180 W. Peachtree Street NW, Suite 499

Atlanta, GA 30309