



CITY OF ALBANY, OREGON
FINANCE DEPARTMENT

AUDIT SERVICES RFP, ADDENDUM # 1

Date: March 31, 2020

The purpose of this Addendum is to modify the RFP documents only to the extent indicated herein. All other areas not changed or otherwise modified by other addenda shall remain in full force and effect. This Addendum is hereby made an integral part of the original Project Documents. The Proposer shall sign acknowledging they read and understand that this Addendum includes and incorporates the following changes or provides clarifications to questions submitted by potential Proposers.

1. Revised Proposal Submittal Process

NO proposals will be taken in person in response to the COVID-19 virus and efforts to protect City employees and the public. All proposal responses including all items listed in the Submittal Checklist should be submitted as one electronic .pdf copy to the following secure email repository: procurement@cityofalbany.net. Proposals will be considered time-stamped and received by the City when they are received in the email inbox listed above. To assure that your Response receives priority treatment, please mark the email subject line with the name of the Project: **Audit Services**.

2. Revised Section 4.3 Contract Term

“The agreement shall have an option to extend the contract for two additional, one-year terms ~~negotiated at that time.~~” **Future year cost will be tied to the West Regional CPI-W, All Items, <https://www.bls.gov/cpi/latest-numbers.htm> and subject to the lower of the percent increase for the period ending two months prior to the first day of the renewal Contract Year, or three percent (3%).**

3. Revised Section 5.7 Deliverable Schedule, Item b

“Provide a schedule (calendar) indicating proposed timing of interim fieldwork, final fieldwork and firm deliverables to the City” **by December 1st** “to ensure submission of the final CAFR to the GFOA timely each fiscal year. Any assumptions regarding turnaround time for City Staff, the Audit Committee and the City Council should be clearly noted.”

“Note: Previous interim audit fieldwork (mainly internal control procedures) lasted approximately five (5) business days and final audit fieldwork lasted ten (10) business days.” **City would like interim field work to be held in May/June with final audit fieldwork in late October or early November.**

4. Is there a specific reason you are going out to bid for auditors?

The current contract has expired.

5. What software system do you use to maintain your books?

The City of Albany implemented a new enterprise resource planning software, Tyler Munis, which went live on April 29, 2019.

6. When are the books usually closed and ready for the final audit work to begin?

Books are anticipated to be closed by September 30.

7. Did the prior year auditor propose many adjusting entries? If so, how many and can we see them?

Yes, our current auditor prepared our financials this year which included a few adjusting entries. The Management letter will be disclosed online.

8. Are there any significant changes in activities or programs for the coming year, as compared to the prior year?

No significant changes that we are aware of.

9. Was a management letter issued by your previous auditor? If so, we would like to see a copy.

Yes, the Management Letter has been provided as an attachment to this addendum.

10. By what date are you expecting the completed report?

In order to submit our CAFR to GFOA, the City requests completion of the report by December 1.

11. What was the fee charged by your prior auditor?

FY 18-19 audit services fee for ARA and City audit, \$3,785.00 and \$58,875.00, respectively.

12. Since the Governor issuing an executive “stay at home” order regarding the Coronavirus, will you accept our proposal attached to an email or should we plan to send you a printed version?

The City of Albany requires electronic submissions at this time in response to the COVID-19 virus for the safety of City staff and the public. See information provided above, Item No. 1.

13. How would you like to see the audit process improve by having new auditors?

The previous audit process has worked well. No suggestions for improvement.

14. When will the accounting records be ready for audit, both for interim and final audit work?

We envision interim work to be more internal controls and field testing and scheduled for May/June. Final audit work is requested to be done in late October or early November.

15. Is there a specific time you would like fieldwork performed?

Field work may be performed during either the interim work or final audits. This would align with the timeframe mentioned above.

16. Additional services, if any

Assistance with CAFR preparation, approximately \$10,000.

17. In addition to meeting the proposal requirements and evaluation criteria, including offering high quality service at a reasonable cost, how does the City of Albany define value from its accountants?

Training and guidance provided for interpretation of new GASB statements is preferred.

18. What issues or disagreements were experienced with the current auditors, if any? Is the Firm eligible for re-engagement?

There were no issues or disagreements with our current auditors. The firm is eligible for re-engagement.

19. When was fieldwork performed for the most recent audit? How many auditors were in the field for interim and final fieldwork, and for how long?

Interim fieldwork was done in July and final fieldwork was scheduled in November. Due to staffing issues the auditor completed the financials and the fieldwork was pushed out to December. There were five auditors and they were on site approximately for a week for interim and for final were scheduled for a couple of weeks.

20. Has there been any significant change to key staff in the past year which would affect the 2020 audit?

During FY 18-19 the Department had several vacancies that were filled by temporary staff. We have now hired for those accounting positions and with Munis near full implementation it should provide for a smoother audit.

21. Are there any significant changes to funding anticipated in 2020?

BN 19-20 is the first year of the City's biennium budget. Currently the City does not anticipate any major changes to our funding sources.

22. Please provide a breakout of fees for the past three years of accountancy for the City.

Fees are not broken out. Totals are FY 16-17 \$56,015.00; FY 17-18 \$59,680.00; FY 18-19 62,660.00

Contractor's Signature

Date

Company Name *(Please print)*