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**REQUEST FOR PROPOSALS
NO. A17-001
AUDITING SERVICES
ADDENDUM NO. 1
Questions and Responses**

ALL OFFERORS: This Addendum No. 1 contains questions and responses and is considered an ADDENDUM to, and part of, the referenced solicitation for Auditing Services (the "RFP"). The Issuing Office shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. **The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation.**

The Questions and Responses are as follows:

General Questions

How long has the incumbent auditing firm been engaged? Are they able to participate in the current bid?

Answer – The current auditing firm has completed 5 fiscal year audits (2012 to 2016) and they will be able to participate in this issued RFP No. A17-001.

Since the Revenue Authority's financial results are presented in the countywide audit, what type of collaboration is required with countywide auditors?

Answer – The Revenue Authority requires the audit firm to coordinate and confirm with the countywide audit firm only on inter-agency transactions (due to and/or due from).

Since the Authority is a component unit of Prince George's County, does the County require the same audit firm to serve both the County and Authority?

Answer – The Revenue Authority is a Quasi-Government agency of Prince George’s County. The County does not require that the audit firm for the Authority be the same firm selected by the County.

What was the fee for the FY 2016 audit?

Answer – The Revenue paid a fee between \$45,000 and \$50,000.

Were there any additional billings from the auditor for the 2016 audit and, if so, what was the amount?

Answer – The Revenue Authority did not receive any additional billing for the FY 2016 audit.

Section 1.1 Summary Statement

Has the RFP been issued due to the contract with the current service provider expiring?

Answer – The Revenue Authority does not have a contract with the current service provider.

What is management’s and the Boards view on the desirability of transitioning to new auditors?

Answer – The Revenue Authority Finance Committee and the Revenue Authority Board of Directors made the decision during FY 2016 to bid out the annual auditing services every three (3) to five (5) years.

Section 1.2- Proposal Closing Date

The RFP indicates proposals are due June 26, how fast does the Authority anticipate planning on awarding the contract? The reason for the question is the timeframe outlined in the RFP indicates interim work would begin the week of August 15th. Would this provide the Authority ample time if a switch in service providers was made to prepare for interim fieldwork?

Answer – The Revenue Authority anticipates awarding the contract the week of July 18th. The Authority believes the proposed Contractor’s schedule for the FY 2017 audit allows sufficient time for the interim fieldwork to be completed. The Authority prepares for the annual audit monthly.

Section 3.1 – Background

What is the Fiscal Year for the Authority?

Answer – The Revenue Authority fiscal year begins July 1st and ends June 30th.

Does the Revenue Authority anticipate any significant changes in operations such as significant new revenue sources within the initial three-year period covered by the RFP? If so, are the newly expected sources federal funds?

Answer – The Revenue Authority currently does anticipate any significant changes in our revenue sources. Parking Enforcement, Parking Facility Management and Program Management Services will remain our core business for the next three years. The Authority does not expect to receive any federal fund revenue sources in the next three years.

Does the Revenue Authority anticipate any significant changes in management, future operations or structure of the entity?

Answer – The Revenue Authority does not anticipate any significant changes in management or structure of the entity. The Authority will continue to explore new programs and projects that may modify our operations, but currently our focus is parking enforcement and parking facility management.

Section 3.3 Scope of Work

What was the number of audit adjustments made/proposed by the auditor for the Revenue Authority?

Answer – The FY 2016 audit included two (2) audit adjustments.

Will the auditor be required to issue a report for (F)? What is the ERISA audit RFP?

Answer – No, the auditor will not be required to issue the report noted on page 21 of the RFP, item F. The 401K Plan RFP number is A17-002.

Can you provide a copy of the report from the incumbent audit firm that is required by Government Auditing Standards (letter on internal controls and compliance) dated November 17, 2016, as referenced in the auditor's report?

Answer – The Revenue Authority has posted the FY 2016 letter on internal controls and compliance on our agency website as part of this RFP No. A17-001.

Did the auditor prepare a management letter for the Revenue Authority for the year ended June 30, 2016? If so, did management agree with any recommendations and were changes made to address any such recommendations?

Answer – The auditor did prepare a management letter for the Authority for the year ended June 30, 2016. Management agreed with all the recommendations and all changes were made to address such recommendations.

Section 3.4 – Technical Specifications

The timeframe outlined in the proposal, has that been the timeframe historically? Has there been delays regarding the timing of the audit? If so, could you provide reasons for the delay?

Answer – Yes, the timeframe for our annual audit has been consistent for the past 5 years. The Authority has not encountered any delays in regards to the timing of the audit.

How many days were the auditors on-site for interim and final fieldwork?

Answer – The interim fieldwork was usually completed within three (3) to five (5) days. The final fieldwork was usually completed within two (2) to three (3) weeks.

Section 5.6 – Supplier Diversity and Participation Evaluation

Did the incumbent audit firm utilize a County-Based Small Business Enterprise (CBSB) and/or Minority Business Enterprise (MBE)? If so, for what percent of the contract? Was the same or similar preference point system offered in the previous RFP?

Answer – No, the incumbent audit firm did not utilize a CBSB or MBE as part of the prior audits. The preference point system was not used in our prior RFP's

THIS RFP ACKNOWLEDGEMENT FOR ADDENDUM NO. 3 CONTAINS MATERIAL CHANGES AND MUST BE ACKNOWLEDGED, SIGNED AND RETURNED WITH ALL PROPOSALS. FAILURE TO ACKNOWLEDGE IN THIS MANNER MAY RENDER THE PROPOSAL NON-RESPONSIVE.

SIGNATURE

COMPANY

DATE