

ADDENDUM # 1



JOINT PROCUREMENT OF PROFESSIONAL SERVICES FOR AUDIT SERVICES

FIN-RFP-2021-01

October 9, 2020

This addendum is issued to clarify questions received by the Hampton Roads Planning District Commission (HRPDC) pertaining to Request for Proposal (RFP) No. FIN-RFP-2021-01.

1. Why are the Organization and the Authority currently going out for proposals?

The previous RFP by the Organization has expired, and the Authority is a new entity that will have its first audit for the fiscal year ending 6/30/21.

2. Other than your own website, where was this bid posted?

Notice to Procure:

- 9-24-20 Virginia Business Opportunities (electronic notice):
https://mvendor.cgieva.com/Vendor/public/VBODetails.jsp?PageTitle=SO%20Details&DOC_CD=RFP&Details_Page=VBOSODetails.jsp&DEPT_CD=LA45&BID_INTRNL_NO=162791&BID_NO=FIN-RFP-2021-01&BID_VERS_NO=1
- 9-24-20 The New Journal and Guide (ad in print issue)
- 9-24-20 HRPDC office (printed notice)

RFP Document:

- 9-24-20 Virginia Business Opportunities:
https://mvendor.cgieva.com/Vendor/public/VBODetails.jsp?PageTitle=SO%20Details&DOC_CD=RFP&Details_Page=VBOSODetails.jsp&DEPT_CD=LA45&BID_INTRNL_NO=162791&BID_NO=FIN-RFP-2021-01&BID_VERS_NO=1

3. Was this bid posted to the nationwide free bid notification website at www.mygovwatch.com/free?

No.

4. What additional details are you willing to provide, if any, beyond what is stated in bid documents concerning how you will identify the winning bid?

Information regarding the selection criteria to be applied and contract award is provided in Sections X and XI of RFP No. FIN-RFP-2021-01 (p. 9-10)

5. Do you anticipate extending the bid due date?

No.

6. Also, please provide me with your response to any future inquiries by prospective audit service providers.

The deadline for questions on RFP No. FIN-RFP-2021-01 was 2:00 p.m. EDT on 10/7/20. This Addendum contains all questions that were received by the deadline, along with the respective responses.

7. Is your current audit service provider eligible to / been asked to respond to this RFP?

Yes.

8. How long have you been with your current service provider?

Five years.

9. What do you like best about your current audit service provider?

10. Is the Organization and the Authority completely satisfied with its current auditors and level of service? Are there any areas in which you would like to see changes/improvement or additional service offerings?

11. What, in your opinion, is the most important service that your audit provider can / should provide outside of their audit opinions and related required correspondence?

RESPONSE TO QUESTIONS 9, 10, and 11:

The Organization is very satisfied with the current service provider, who is very capable and responsive to questions throughout the year. The current service provider is very knowledgeable of Planning District Commission functions and organization structure. Outside of audit opinions and related required correspondence, the Organization values audit provider assistance with new GASB pronouncements, new payroll laws, and the indirect cost allocation plan.

The Authority is a new entity that will have its first audit for the fiscal year ending 6/30/21.

12. If possible, please provide us with how many days (interim and final) auditors were on site for field work during the FY 2020 audits – both the Organizations and the Authority audits and what level of audit personnel was on sight for those time frames?

13. Where and when are the audits (each separate audit – the Organization and the Authority typically performed (interim and final fieldwork)?

RESPONSE TO QUESTIONS 12 and 13:

The Organization's FY2020 interim audit was conducted remotely due to the COVID-19 pandemic. Under the typical circumstances of years past, three staff from the audit provider conducted onsite pre-audit sampling over a four- to five-day period in the spring and the main audit onsite over a four- to five-day period in early August. Work to finalize figures, financial statements, and reports was completed by the auditors offsite (firm's office) by mid- to late-September, in consultation with Organization staff via

phone or email, for the purposes of presentation to the Organization boards (the Hampton Roads Planning District Commission (HRPDC) and the Hampton Roads Transportation Planning Organization (HRTPO)).

The Authority is a new entity that will have its first audit for the fiscal year ending 6/30/21. The audit will be conducted onsite, if possible, in coordination with the Organization's audit activities schedule.

14. Please tell us how many audit adjustments were required for the FY 2020 each audit (Organization and Authority) with a brief description of the nature of such adjustments.

There were no audit adjustments for the Organization.

The Authority is a new entity that will have its first audit for the fiscal year ending 6/30/21.

15. Were any bookkeeping or additional services provided in conjunction with the audits? If so, please provide a brief description of these services. In addition, was the Organization or the Authority charged additional fees for these services and, if so, what fees were charged?

No additional services were provided in FY2020.

16. Please provide a copy of the following documents or directions to where these documents can be obtained online related to the FYE 6/30/2020 audits (or most recent available):
- a. Audited Financial Statements – Organization and Authority
 - b. Management letter (SAS 114 letter) - Organization and Authority
 - c. Any other formal correspondence received from your audit service provider in conjunction with the 2020 audits – Organization and Authority

For the Organization, the final FY2020 and FY2019 documents are available at the link below:

- [https://www.hrpdcva.gov/page/financial-statements-/](https://www.hrpdcva.gov/page/financial-statements/)

The Authority was formed in 2020 and will undergo its initial audit under the contract to be awarded by the Authority as a result of the formal selection process for RFP no. FIN-RFP-2021-01.

17. What were the prior year fees for the FY 2020 audits – Organization and Authority? In addition, were any additional services requested from your audit service provider and, if so, what was the nature of those services and related fees charged?

FY2020 audit fees for the Organization: approximately \$31,000.00
FY2020 audit fees for the Authority: \$0.00

No additional services were provided.

18. Was an Examination Engagement required related to either the Organization or Authority’s participation in VRS (Virginia Retirement System) by the APA (Auditor of Public Accounts)? If so, are these services included in this procurement and what fees were charged for these services by your prior auditor?

Yes, those services are included in this procurement. The FY2020 fees for the Organization included those services.

19. Has the Organization or the Authority experienced any changes in key personnel, financing or funding during the current fiscal year? If so, please describe such changes.

There were no changes in key personnel, financing or funding during the current fiscal year.

20. On page 6 of the RFP, it states “One (1) original (specifically marked “Original”), five (5) hard copies, and one (1) electronic copy in pdf format. Can firms submit their electronic copies via email?

No. A USB drive is preferred.

21. What do you see as the Organization and the Authority’s greatest challenge in the next year?

22. What do you see as the Organization and the Authority’s greatest challenge in the next 5 years?

23. Does the Organization or the Authority anticipate any significant operational or financing changes during the term of this contract (current and future potential contract years)? If so, please describe such changes.

RESPONSE TO QUESTIONS 21, 22, and 23:

As the HRPDC and HRTPO continue to expand their duties and play a larger leadership role in regional issues, the Organization must develop funding sources to support these activities. State base funding for Planning District Commissions in Virginia was at a higher level 20 years ago than it is today. Regional organizations in Virginia have been

forced to explore state and federal grant sources to support projects and operations and to operate on a billable hours format where employees are budgeted and assigned to specific grant activities. This situation has reduced the amount of available “discretionary time” that staff can dedicate to general regional program activities, or other projects/assignments which may present themselves for our region over a calendar year. Often, the only available time that can be assigned to these regional projects over a budget year is time from management (Executive Director/Deputy Executive Director). The need to advocate for non-grant funding that can support regional initiatives is perhaps our organization’s most significant operational challenge. Other challenges include maintenance of the Organization’s aging facilities and the COVID-19 pandemic’s impact on budget planning for revenue and expenditures.