



# CITY OF SUFFOLK

P.O. Box 1858, Suffolk, VA 23439-1858; T (757) 514-7520; Fax (757) 514-7524

## Purchasing Division ADDENDUM ONE

### REQUEST FOR PROPOSAL FINANCIAL AND COMPLIANCE AUDIT SERVICES

ACCEPTANCE TIME/DATE:

**This has been changed to read:**

**Prior to 5:00 p.m. March 8, 2013 "Eastern Standard Time"**

RFP NUMBER: 2013-00077-IC

ACCEPTANCE PLACE: Department of Finance  
Purchasing Division, Room 105  
441 Market Street  
Suffolk, Virginia 23434

Requests for information related to this Invitation should be directed to:

Ivy G. Crawford, VCA

(757) 514-4015

Email: [icrawford@suffolkva.us](mailto:icrawford@suffolkva.us)

This document can be downloaded from our web site:

[www.suffolkva.us/bids/info/jsp](http://www.suffolkva.us/bids/info/jsp)

Issue Date: February 28, 2013

**If you have obtained this bid document from the City's website or a source other than the City of Suffolk, contact the Purchasing Division prior to submitting your bid to ensure that a complete up-to-date package has been received. The Purchasing Division is not responsible for providing addenda if the bidder is not listed as a prospective bidder.**

**Questions submitted by prospective offerors are attached along with answers. These shall become part of the RFP as if originally published.**

1. What were the prior year audit fees? **\$104,800 to include City, Schools, and EDA.**
2. What is the level of effort or hours that the prior auditor has provided for the previous year's audit? An indication of the number of person for the number of weeks is sufficient. **Prior audits were scheduled with 6 weeks of fieldwork**
3. Is the incumbent allowed to bid? It appears that the incumbent auditor has performed the audit the prior two years. If the auditor is not permitted to bid, can you discuss the reasons for that? Were there any disagreements with the incumbent auditor that would be required to be disclosed to the successor auditor under professional standards? **Yes, the incumbent may submit at their option.**
4. Are there any improvements you would like to see in the audit process? **The scope of work is clearly outlined in the RFP.**
5. Are there any significant changes in operations in the current year versus the prior year, including changes in policies and procedures, personnel, or the reporting entity? **No.**
6. Will the City also be requesting an agreed-upon procedures report for the Sheriff's Office which is generally required as part of the APA's Specifications of Audits of Counties, Cities and Towns? **Yes**
7. Paragraph 6.2 of the RFP states that the auditor will be required to prepare the transmittal forms required by the APA. Generally, an agree-upon procedures report by an Independent Accountant related to the information in the transmittal forms is also required by the APA. Does the City intend to request the Auditor to perform the agreed-upon procedures in addition to preparing the report? **Yes.**
8. Please clarify what the component units of the City Government are expected to be for FY13, and which of the entities will require separate audited financial statements. **City, Schools, EDA, WATA.**

Also, please indicate:

- a) Which component units will be audited by other auditors, if any. **None.**
- b) For all entities not audited by other auditors, if the auditor will need to prepare the financial statements? **Yes.**
- c) For example, will separate, audited financial statements be necessary for the School Activity Funds and/or the Pruden

Center for Industry and Technology? **Separate statements for schools, including the School Operating Fund; School Grant Fund; School Food Service Fund; Pruden Center; EDA; Water Authority.**

9. Please clarify whether the Utility Major Enterprise Fund will require separate audited financial statements. Also please indicate if the auditor will need to prepare the financial statements for this entity. **The auditor will need to prepare the financial statements for the Utility Fund. However, it is not a separate audited financial statement. The Utility Fund is a proprietary fund within the City's CAFR.**
10. In addition to the financial statements and the notes, will the auditor be responsible for preparing:
- Letter of Transmittal? **No**
- Management Discussion and Analysis? **No**
- Statistical section? **No**
11. What level of assistance will the City provide in regards to compiling numbers and composing these portions of the CAFR? **High level of Assistance**
12. Please clarify the services requested in paragraph 6.10 to provide test of compliance with City Code requirements. Has this been structured as an agreed-upon procedures report in the past? **No**
13. Please clarify the request made in paragraph 7.1, part a., to provide the cost of an estimate of City resources required by the audit. **This will be negotiated with the firm ranked in first place.**

**Offeror's are reminded to check our website prior to submitting as additional addenda may be issued.**