

07/02/2012

TO: ALL OFFERS

FROM: Kathleen O'Donnell
Chief Administrative Auditor

SUBJECT: ADDENDUM TO INVITATION TO BID – RFP12-CPA-08, Department of Agriculture, Delaware Agricultural Lands Preservation Foundation Financial Statement Audit

ADDENDUM #1

Please note: The attached sheets hereby become a part of the above mentioned RFP. The Office of Auditor of Accounts (AOA) received the following questions for clarification in response to its RFP posted on June 26, 2012.

1. What were the prior year audit fees? Fees for the FY10 audit were \$26,900.
2. How many hours did the most recent audit take? The FY10 audit took approximately 175 hours.
3. Who prepares the financials? It is the agency's responsibility to ensure the financial statements and related notes are prepared for the audit.
4. Were there adjusting entries in the prior year audit? There were 14 adjusting journal entries for the FY10 audit.
5. Were there any difficulties in completing the prior year audit? The confirmation of cash held by the State is an issue. AOA is currently working with various State agencies to determine whether the State Treasurer's Office will be able to confirm cash balances at the agency or department level. If the firm is unable to confirm cash, appropriate recourse will need to be taken the form of findings or modification of opinion. Also, with the implementation of the State's new accounting system, the firm encountered difficulties in obtaining accurate trial balance numbers from the Foundation.
6. Has the 06/30/11 report been issued? The FY11 report has not been issued; however, the FY10 report is available at auditor.delaware.gov.