

07/02/2012

TO: ALL OFFERS

FROM: Kathleen O'Donnell
Chief Administrative Auditor

SUBJECT: ADDENDUM TO INVITATION TO BID – RFP12-CPA-09, Delaware
Manufactured Home Relocation Authority Financial Statement Audit

ADDENDUM #2

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 type of Compliance testing is done as part of the audit? [Using professional judgment, the auditor must complete compliance testing sufficient to provide an opinion on the financial statements.](#)
2. Has the Accounts Receivable issue been resolved for the current year audit? [The firm contracted to audit the Authority would need to assess this process as part of their work.](#)
3. Were there any additional services provided by the audit firm in the past and if so what were the services and fees? [There were no addendums or additional services paid for by AOA.](#)
4. Will cash be able to be confirmed? [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.](#)
5. What accounting system is being used for the 2012 audit? [This question is answered on page 6 of the RFP.](#)
6. Have prior year findings been resolved? [The firm contracted to audit the Authority would need to assess this process as part of their work.](#)
7. How is interest income allocated if funds in pooled cash? [This issue may require further research by the firm given the cash confirmation issues.](#)

8. In Note A1 to the financials it states that the Trust Fund terminates on July 1, 2014. What is anticipated? [The firm contracted to audit the Authority would need to discuss this issue with the Authority this as part of their work.](#)
9. Does the Authority use an accounting firm to record the financial transactions for the Authority? [This question is answered on page 6 of the RFP.](#)
10. If an accounting firm is used by the Authority to provide accounting services what would be their role for the audit? [The firm who is contracted to audit the Authority would have to work with the firm who performs bookkeeping for the Authority.](#)
11. Can the prior firm bid on the audit? [Yes.](#)
12. Is payroll outsourced and if so with what company? [The firm contracted to audit the Authority would need to assess this process with the Authority this as part of their work.](#)
13. Are the assessments adjusted each year? [The assessment is set forth in the Delaware Code.](#)