

January 20, 2016

TO: All Offerers

FROM: Kathleen Davies
Chief Administrative Auditor,
Delaware Office of Auditor of Accounts

SUBJECT: Addendum to Request for Proposals (RFP) – RFP AOA-16-CPA-02-MG

Addendum #1 – Proposers Questions & Office of Auditor of Account’s Answers

Please note: The attached sheets hereby become a part of the above mentioned RFP. All other terms and conditions remain the same.

The Office of Auditor of Accounts (AOA) received the following questions for clarification in response to its RFP posted on January 5, 2016.

1. Does AOA know what 12 municipalities will be selected for the June 30, 2015 and 2016 engagements? Knowledge of this will enable better cost preparation due to potential travel involved.
[There will not be public notice of the municipalities selected for audit. Anticipated travel costs should be included as a separate line item on the cost proposal, which may be conditional based on the distance from the firm’s location.](#)
2. In the RFP, Section 10. Proprietary Section, item 10.2 – c(4) – it states that the proposal should include process for evaluating and testing internal controls including plans for adequate coverage of information technology infrastructure and data integrity – In reviewing Appendix L – Listing of Agreed upon Procedures – there are no steps that require internal control testing listed there – does the proposal need to address internal control testing?
[No, that item is not required for this RFP. Therefore, the proposal **does not** need to address internal control testing.](#)
3. Do you want the fee to be to perform 12 municipalities for each of the years ending June 30, 2015 and 2016, for a total of 24 in a two year period?
[Per Section 8.4 of the RFP, the cost proposal should include a standard fee for one municipality with a breakdown of the standard cost per MSAF, SALLE, and EIDE as subgroups.](#)
4. What were prior fees?
[For Fiscal Year 2014, the fees were as follows:](#)
 - [Town of Kenton \(MSAF\) – \\$2,877.15](#)
 - [City of Rehoboth Beach \(MSAF, SALLE, EIDE\) – \\$8,842.00](#)[These reports covered one fiscal year each.](#)
5. How do you determine what municipalities to pick?
[There is no public notification of selection process or municipalities selected for audit. In addition, some municipalities are selected based on AOA’s judgement.](#)

6. Do you pick the entities from the list in Appendix G?
Yes.
7. Were there 12 engagements performed for each of the years ending June 30, 2014 and 2013?
All engagements performed are available, are publically distributed, and included on AOA's website.

If you have any questions, please contact me at 302-857-3919 or Kathleen.Davies@state.de.us.