

Delaware Department of Transportation
QUESTIONS AND ANSWERS
Audit Services
Agreement 1850
July 10, 2017

Q #	Question	Answer
1	Is the due date July 20 th as noted on the web-site or June 29 th as noted in the written RFP?	Please see revised RFP posted here: http://bids.delaware.gov/bids_detail.asp?i=4499&DOT=N
2	What is the estimated budget for the work done under this contract?	The annual estimated budget for this work is approximately \$70K. Although this figure could change annually due to the budgetary demands of the State of Delaware and there is no guarantee of actual agreement value.
3	What is the estimated percentage of the work is on-site at the Transportation Administration Building, at auditee locations off-site, and at professional firm's office?	Currently the percentage of of on-site versus off-site work is approximately 90% on-site and 10% off-site.
4	Is there an historical annual audit work plan that can be shared to understand the scope of the requested work?	The Audit Services being requested for this RFP would include project cost audits of professional services and construction contracts as well as audits of indirect cost reports.
5	Is the scope of the audit work all internal to the DelDot operation, or does it include vendors and contractors?	The majority of the work will be auditing of consultant/contractual agreements and projects. The internal audit function is handled by DelDOT staff.
6	Do resumes count towards the page limit?	Page limits are as listed in the RFP Document. Please refer to the 'Proposal Requirements' section.
7	Have there been any significant changes in your operations, programs or personnel recently or contemplated for the future that would impact the scope of services as compared to prior contracts for the same work? (Ex: changes in the audit process or those involved with the process, current year budget vs. prior year budget?)	There have not been significant changes in the operations, programs or personnel that have impacted the Audit Section's scope of services.

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8	What are the most challenging aspects of the audit process for DelDOT and specifically the accounting and finance team?	Determining the finalization of a project in order to properly schedule a project for audit. As well as having to utilize multiple systems to account for all project charges.
9	Are any of the accounting functions outsourced to another accounting firm? If so, which functions?	No they are not.
10	Is there any specific expertise and advice the organization looking for that it may not be receiving from its current provider?	No.
11	What is management's and the board's view on the desirability of transitioning to new auditors?	We are just looking to provide the Department with the best combination of value and experience.
12	How long has DelDOT been with the current provider?	All publically available contract information is available on Delaware's Procurement Portal: http://mymarketplace.delaware.gov/
13	Is the current provider bidding on the engagement?	The bid is open to all qualified firms.
14	In an effort to understand the level of effort currently exerted by the incumbent auditing firm, please provide: a.) Prior year audit fees b.) Schedule of auditors in the field (ex: 2 people for 2 weeks in November)	All publically available contract information is available on Delaware's Procurement Portal: http://mymarketplace.delaware.gov/
15	Can you provide a sample/listing of the types of engagements/tasks previously performed or expected to be performed under this contract?	Sample engagements include: Project cost auditing of professional service and construction contracts, indirect cost auditing.
16	Can multiple firms be awarded contracts under this RFP? If so, how is work awarded under the contract (bid each engagement, expertise, rotation, etc.).	Only one firm will be selected.

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17	Does all work under this contract result in an audit report, or are other reports issues (Agreed Upon Procedures, Attestation, Consulting, etc.)?	The work completed under this contract will result in audit reports.
18	Does the contracted firm typically work independently, with DE DOT staff, or is it dependent on the engagement?	This would be dependent on the engagement. The contracted firm will always report directly to one of the audit supervisors.
19	What is the actual due date of the RFP?	Please see revised RFP posted here: http://bids.delaware.gov/bids_detail.asp?i=4499&DOT=N
20	Has this RFP been issued in the past? If so how many hours have been provided by firms utilized under the RFP	All publically available contract information is available on Delaware's Procurement Portal: http://mymarketplace.delaware.gov/
21	No fees are required under this RFP correct?	Correct.
22	What was the average hours per engagement needed from the firms utilized in the past?	Under the previous contract we budgeted a set number of hours per week to work on multiple projects/engagements.
23	The proposal requests the availability of personnel for immediate placement, for purposes of assessing the potential staff commitment, will you provide an example of projects and the monthly hour requirements of projects completed for DelDOT in the past year?	Examples of projects are: final cost contractual audits, active project cost auditing with a monthly commitment of 50-70 hours that can be split between multiple project cost audits.
24	If examples are not provided, will you provide an estimate of the monthly hour commitment DelDOT would require?	We would be looking for approximately 50-70 hours monthly

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25	As part of the proposal, the letter of interest requires an understanding of the anticipated assignments, services required and approach to providing the services required, will you provide examples of the services requested in the past so that we may provide appropriate detail in our response?	We are requesting audit services for project cost auditing. This can include final project cost audits and active project cost audits. This requires use of electronic work papers to document audit procedures, selection of audit testing to perform audit site visits at consultant/contractor offices, developing audit findings and observations based on testing results, writing audit reports, management memorandums, and other required Department documentation.
26	Appendix A references 4 required forms that are to be completed and sent back with our proposal submission, however only 2 of the forms were included in the RFP. May we please receive a copy of the Certification of Primary Participant Regarding Debarment, Suspension, and Other Responsibility Matters and Certification of Restrictions on Lobbying forms?	Revision 1 of this RFP has deleted these two forms as required forms. Please see Revision 1 of the RFP on the State of Delaware Bid Solicitation Directory at http://www.bids.delaware.gov/
27	Please confirm that the services under this RFP are to be performed only for the Delaware Department of Transportation.	The requested Audit Services are for the Department of Transportation only.
28	Please provide an example of each type of report the DOT would expect the successful firm to issue under this contract.	This information would be reviewed with the selected firm after award if appropriate.
29	Can you provide additional background on the reason for the issuance of this RFP at this time? Is there a shift in the philosophy in your Internal Audit staffing model from in-house, a desire to change service provider(s), etc.?	The previous Audit Services contract has expired.
30	Can you please explain the criteria you used to identify qualified firms to receive this RFP?	Specific firms were not provided the RFP. The State of Delaware bid process requires this type of contract to be advertised and proposal submitted for evaluation prior to selection of a firm.
31	Can you please identify the aspects of DelDOT that are within auditing scope? Are all aspects of corporate governance, business operations, financial operations, IT operations, etc. within potential audit scope?	For this Audit Services contract, the scope of services is to provide auditing services for our external consultant and contractor agreements and projects.

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32	What locations besides your Administrative building do you envision needing Audit fieldwork to be performed?	Audit fieldwork for the planned audit services to be provided by the selected firm will also be required at home office locations of consultants and contractors providing services to the Department.
33	Are there any specific time periods throughout the year where you expect a spike in Service Provider resourcing needs?	No, we maintain a constant schedule throughout the entire year.
34	What do you view as the critical decision making criteria for selecting a service provider?	Please review the RFP Rating Criteria section.
35	7. Do you have existing DelDOT internal audit personnel? If so, can you please provide information on the current structure and make-up of your Internal Audit function a.) Number of FTE by location and level (Director, Manager, Staff, etc.) b.) Number of FTE by competency / skillset – IT risk and audit, finance, operations, fraud and investigations, data scientists, etc.	This information would be reviewed with the selected firm after award if appropriate.
36	What is the approximate size of your annual audit plan by: a.) Number of audits scheduled b.) Number of audits completed c.) Number of hours d.) Subject matter (assurance vs. consulting, financial / operations, IT, investigations, special projects, management requests, etc.) e.) Geography	This information would be reviewed with the selected firm after award if appropriate.
37	What is the average duration (in hours and overall time period) of an individual audit?	This can vary and is dependent on the type and size of the project being assigned. These assignments are project cost audits so larger projects will have greater costs to audit and naturally take longer than a smaller project with less dollars involved.

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38	<p>Have you partnered with a service provider in the past to provide Internal Audit services? If so:</p> <p>a.) In what capacity (special projects, co-sourcing, loan staff, etc.)?</p> <p>b.) Have you worked with a single provider or multiple providers?</p> <p>c.) Approximately what percentage of your annual audit plan was executed using service providers?</p> <p>d.) Were past provider relationships successful? If so, what made them successful? If not, can you comment on any specific challenges?</p>	<p>We have not used previous service providers to support our internal audit program. We have used these service providers to support our external audit function of project cost auditing.</p>
39	<p>Can you please indicate Internal Audit's role within the following areas, if any:</p> <p>a.) Internal control over financial reporting (ICFR)</p> <p>b.) Compliance</p> <p>c.) Information security</p> <p>d.) Enterprise risk management</p> <p>e.) Investigations</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>
40	<p>Can you provide the most recent risk assessment and/or audit plan for review as part of this RFP?</p>	<p>Samples of this information can be provided to the selected firm prior to contract execution.</p>
41	<p>Does Internal Audit leverage any GRC platforms such as those used by management, or separate solutions like Team Mate, Auto Audit, etc.? If you are using a technology platform for audit execution, will the selected service provider be expected to use the platform in the execution of audits?</p>	<p>The Audit Section uses TeamMate as its electronic audit work paper platform and the selected firm will be required to utilize this software to complete DelDOT Audit assignments.</p>
42	<p>What is the current use of data analytics and data visualization in the development of the internal audit plan, or the planning and execution of individual internal audits?</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>

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43	<p>Have you performed an external IA Quality Assessment Review (QAR) or self-assessment in the past 5 years? Have you ever performed a strategic assessment of your Internal Audit function, not against the IIA standards, but an evaluation of your processes, technology, organization structure and focus areas against your mandate and stakeholder expectations?</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>
44	<p>Can you please provide a brief overview of your IT environment? This includes, but is not limited to: financial applications, human resources / payroll / time keeping applications, operational and customer-facing systems, etc., and the underlying IT environment (operating systems, databases, networks).</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>
45	<p>Can you please provide a brief overview of your IT organization a.) Number of FTE by location and level (Director, Manager, Analysts, etc.) b.) Number of FTE by competency (application development, application maintenance, system administration, information security, etc.)</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>
46	<p>Do you engage any third parties to support IT activities? If so, can you please describe the nature of the services (help desk, application maintenance, system administration, data center hosting, etc.)</p>	<p>This information would be reviewed with the selected firm after award if appropriate.</p>
47	<p>Are there any IT risks or audits currently identified where we should specifically address our capabilities (cybersecurity, mobile, cloud, etc.)?</p>	<p>No, as this RFP is requesting audit services addressing our consultant and contractual project cost auditing requirements.</p>

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48	Beyond those areas mentioned in the RFP, are there any other specific areas you anticipate needing expert consultation? This often includes, but is not limited to: FCPA / ABAC, capital projects, forensics, tax (international, state and local, federal), human capital management (including expatriots)/ labor relations, systems design and implementation, technical accounting, transaction advisory (buy-side and sell-side diligence, merger integration, etc.). If so, do you have an estimate regarding the approximate number of hours you would require, but subject matter and location, if possible?	No, it is not anticipated that any further expert consultation in any other areas will be needed.
49	Are you open to a service provider team structure that includes the use of an offshore employee talent pool?	We are looking for a team that can provide staff housed at the DelDOT Administration Building for the hours that will be worked on our audits.
50	Are we qualified to submit response to this request, even as our practice license is from the state of Maryland?	The RFP requires a CPA or Public Accountant licensed to practice in the State of Delaware by the Division of Professional Regulation, Board of Accountancy.
51	Under Proposal Requirements #4B Letter of Interest it says 2 page limit and #4C it says 6 page limit. Can you clarify what the page limit is for the Letter of Interest?	This question doesn't make sense. There are no page limits related to Item 4., C. Please carefully review the RFP and all separate items under Proposal Requirements, #4. Those items are separate requirements.
52	Is it a requirement to use a Sub Consultant?	There is no subconsultant requirement
53	Does the Sub Consultant need to be a MBE or WBE?	There is no subconsultant requirement
54	Can other information about the firms qualifications be added to the response as an appendix?	Permittable items are as listed in the RFP Document. Please refer to the 'Proposal Requirements' section.

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55	Is there a total page limit for the proposal response?	Page limits are as listed in the RFP Document. Please refer to the 'Proposal Requirements' section.