

# Addendum 1

## RFP for Auditing Services

Contract Number DSU20021204-AUDIT

### Questions and Answers

The work/ clarification/ answers listed in this addenda shall be considered part of the Bid/ RFP document for the referenced project/ product/ services, etc.

Below are questions and answers regarding subject RFP. All questions are written in black color font and the answers are provided in red color font.

1. **Question:** How long has the current VP of Finance, Controller and Assistant Controller been at DSU?

**Answer:**

- o VP of Finance May 2018
- o Controller September 2019
- o Assistant Controller August 2019

2. **Question:** If there was a management letter issued for FY 2019, can we obtain a copy?

**Answer:**

Available upon request to [jtowers@desu.edu](mailto:jtowers@desu.edu) .

3. **QUESTION:** Were there problems or disagreements with the prior auditors?

**Answer:**

No

4. **QUESTION:** Have there been any significant operational changes since the prior year's audit?

**Answer:**

Yes, a new President and Chief Operating Officer.

5. QUESTION: May we obtain a copy of the FY 2019 single audit report if it issued prior to March 25, 2020?

Answer:

Yes, if it is available. We are currently still working with the auditors.

Delaware State University.  
Contract No. 20-02-12-04  
Proposal Questions

1. Scope of Work: What are the biggest concerns you have? How might you look at your audit firm to help you address those concerns? **Completion of the audit on time. Schedule the internal controls testing in May and dedicate staff on site the end of August to the beginning of September.**
2. Scope of Work: Is the audit being put out to bid on a normal cycle? How long have your current auditors been servicing the State? Can the current firm propose? **Yes. FY 2017. Yes**
3. Scope of Work: Have there been any disagreements with the current auditors regarding accounting treatment, journal entries, findings or other matters? **None**
4. Scope of Work Section D page 36: What are the current audit fees for the entities noted? What have they been the past three years? **Does not provide additional value to this RFP**
5. Scope of Work: Has the current auditor ever billed over their fixed fee and if so what was the reason? **Yes, additional time needed to obtain documentation.**
6. Scope of Work: Has the current auditor provided any additional services outside the original audit contract? **No**
7. Scope of Work: For each deliverable we understand the time requirements; however, what are the desired audit fieldwork schedule for interim and final fieldwork? **Interim-May Final Fieldwork-September**
8. Scope of Work: For the interim and final fieldwork phase for each of the entities noted above, how many audit managers, seniors, and staff are typically in the field and for how long? **Audit manager=1, Seniors=1 Staff=2 or 3**
9. Scope of Work: We understand the number of major programs in a given year can fluctuate, how many major programs should be contemplated in the budget for the uniform grant guidance audit? **10**
10. Scope of Work: Is there a central grant oversight Department? **Yes, we have a restricted accounting department.**
11. Scope of Work: Have there been many passed or posted adjustments resulting from the audit process in recent years? **Not many**
12. Scope of Work: Who takes the lead in the implementation of new GASB'S? **Vice President of Finance and Controller.**

13. Scope of Work Section II item E page 42: Do you have plans to make changes to the BANNER software platforms? **There is an RFP out for ERP Services**
14. Have you experienced turnover in key roles within the organization? **Yes**
15. Scope of Work Section II item F: Has your auditors provided a management letter in the past 3 years for the noted deliverables? **Yes**
16. Scope of Work: What sort of facilities and internet access are provided to the auditors? **Conference Room/Unlimited internet access.**

Below are a list of questions related University's RFP for Auditing Services (Contract 20-02-12-04) -

1) Section: APPENDIX A SCOPE OF WORK

Paragraph C, Auditing Standards to Be Followed

Page 35

Only paragraphs states the "the audit shall be performed in accordance with ... American Institute of Certified Public Accountants, the Public Company Accounting Oversight Board (PCAOB), the standards set forth financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (2003) and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133/...

Question: Does the University actually have PCAOB oversight? **The internal auditor position is open, and we are actively looking to fill this position.**

2) Section: APPENDIX A SCOPE OF WORK

Paragraph D, Reports, 1. Draft Reports

Page 43 and 44

Draft Reports - ... for review and approval by the following dates. Fiscal Year 2020

Financial Audit – September 15, 2020

Question: Considering that over the last 3 years, the opinion dates on the basic financial statements were all in December, can you elaborate on the recent material weakness on the internal control over financial reporting (finding 2018-001 in the most recent single audit report available) and the implementation of the corresponding corrective action plan which will expedite the completion of the financial statements for fiscal year 2020? **Prior to FY 19, the system of record Banner was not being fully utilized. For FY 2020, Banner ties out to the audited financial statements.**

3) Section: APPENDIX A SCOPE OF WORK

Paragraph D Reports, 1. Draft Reports

Page 43 and 44

990 Tax returns for each entity by October 31, 2020

Question: Can you specify which other entities will require 990 as part of the RFP, besides DSU?

Just DSU

4) Section: APPENDIX A SCOPE OF WORK

Paragraph D Reports, 2. Final Reports

Page 44

Final Reports - ... is due to DSU by the following dates. Fiscal Year 2020

Question: The dates are the same as the draft report dates - are these final reports dates supposed to be a week or later after the actual draft dates? Yes.