

Addendum #2

**Contract #2018-05
Independent Public Account Audit**

**This, and all addenda, must be acknowledged in your firm's proposal package.
Please print a copy and include it with your proposal package.
If not acknowledged, your proposal will be removed from consideration.**

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA

The undersigned Respondent hereby acknowledges receipt of the following Addenda:

Addendum Number	Dated	Acknowledge Receipt (please initial)
#2 Q&As	3.30.18	_____

Acknowledged in behalf of:

(Name of Respondent)

By: _____
(Signature of Authorized Representative)

Name: _____

Title: _____

Date: _____

Questions (20 total) answered as per series, posed by two, separate respondents.

1. 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?)

No

2. What are the most challenging aspects of the audit process for HHA and specifically the accounting and finance team?

For staff to balance workload in garnering audit request information for presentation to the engagement team, while also performing time-sensitive accounting functions in behalf of HHA staff and vendors.

3. Are any of the accounting functions outsourced to another accounting firm? If so, which functions?

Fee Accountant services

4. Is there any specific expertise and advice the organization looking for that it may not be receiving from its current provider?

None

5. What is management's and the board's view on the desirability of transitioning to new auditors?

It is totally supported, as this is required by regulation.

6. How long has HHA been with the current provider?

Since performing the FY2012 audit (through FY2016), for the full 5-year period of the prior contract.

7. Is the current provider bidding on the engagement?

Unknown at this juncture

8. In an effort to understand the level of effort currently exerted by the incumbent auditing firm, please provide:

- Prior year audit fees
 - **\$23,248.02**
- Schedule of auditors in the field (ex: 2 people for 2 weeks in November)
 - **3 people for 1 week during the summer**

9. Does HHA currently, or plan to participate in HUD's RAD program and if so, what is the status of any conversions (all projects complete, some settled and some in process, none yet settled, etc.)

Not currently, but being considered.

1. How many audit adjustments were made last year and to what did they relate?
One, related to accrued liabilities
2. Is your current auditor being invited to bid?
Yes, a courtesy e-mail notice was provided.
3. Can you disclose the previous year's audit fee?
\$23,248.02
4. How long (and how many) were the auditors in your offices last year (as best you can remember)?
3 for 1 week
5. What is your required and preferred timing for fieldwork?
Summertime, to allow time sufficient to meet the September 30th HUD filing deadline
6. Is the scope of services requested in this RFP consistent with the services now being provided by your current audit firm?
Yes
7. Were there any problems or disagreements with the prior auditors?
None
8. Who drafts the financial statements and notes?
Casterline & Associates, CPAs
9. Have there been any significant operational changes since the prior year's audit?
No
10. Has there been any material fraud noted over the past 5 years?
None
11. Are there any contingencies or legal issues that could have an impact on future financials?
None