

Request for Proposals (RFP)
CHA Annual Audit Services
QSP P19-002
Addendum 1: Questions and Answers
March 29, 2019

With this Addendum, the Clearwater Housing Authority (CHA) has answered most of the questions to the best of its ability.

1. It appears that separate audited financial statements are required for "Hampton at Clearwater Apartments", "Pineview Apartments", and "Mainstream Apartments".
 - a. Can you please provide the 03/31/18 audited reports for these properties?
Yes, please see attached.
 - b. Should the fee quote for the Authority audit include the proposed fees for these separate audits?
Yes.
 - c. Does the fee quote for these separate audits be broken out from the Authority audit quote and separated?
No.
2. What were the fees paid in the last three years for the total Authority audit and separate Affordable Housing property audits?
Please see audits.
3. Have there been any changes in staff or operations that would impact the audit?
No. Auditor(s) will work with CHA staff and IFH Solutions, Inc.
4. It appears only an electronic version (PDF) of the proposal is required. Are any hard copies of the proposal required (and if so, how many copies)?
No.
5. Title: NO. 75 ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
This new GASB will be effective for March 31, 2019. Based on a review of the March 31, 2108 audit report it appears Clearwater DOES NOT have OPEB or a DEFINED BENEFIT pension plan but rather a DEFINED CONTRIBUTION plan only. Please confirm these assumptions are correct as they have a material effect on audit pricing.

No. CHA does not have a OPEB or a Defined Benefit Pension. CHA has a 457 Plan.

6. Title: Business Activity

The FDS reports a significant amount of transaction in the Business Activities. The notes to financial statements indicate Hampton, Pineview and Mainstreet Apartment are included in the Business Activities and have separate reports. Leads to two questions. These separate reports, are they to be done by the same auditor as this RFP (included in the price) and are they on the same fiscal year end (March 31). #2 are these RAD properties or LIHTC properties or are the simple non-federal projects?

The Hampton, Pineview and Mainstreet Apartments have separate audit reports. They are to be completed by the same auditor as this RFP, and included in the price. They are on the same fiscal year, March 31st. These three properties are not RAD or LIHT. They are non-federal projects.

7. Title: Audit: Will you provide a copy of your most recently completed audit?

Yes, please see attached.

8. With respect to RFP # P19-002, Annual Audit Services, could you please provide a copy of the sample contract for our review? I did not see it included in the RFP, but please let me know if I may have overlooked it. Feel free to contact me should you have any questions.

A Letter of Engagement is executed which is drafted by auditing firm.

9. Does the CHA have a mandatory minimum SDB/MBE/WBE participation utilization goal requirement? Or, does CHA encourage SDB/MBE/WBE participation? CHA encourages SDB/MBE/WBE participation.

10. In the RFP section titled, *1.9 Proposal Format*, there are two #3 Tabs (*Tab 3. Firm's Experience & Past Performance* and *Tab 3. Proposed Services*). We believe this is a clerical error in the numbering of the tabs. May we renumber the tabs respectively?

Yes, this was a typo.

11. 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 significant changes.

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

N/A.

13. What software does CHA use?

- a. What version is it? MRI(HAB) and YARDI.
- b. Does it have remote access? Yes.

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

Recently, CHA procured an accounting consulting firm to assist with Operating Fund Submission, FDS, and other task as assigned.

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

No.

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

CHA is seeking quality and integrity in accordance to federal procurement procedures.

17. How long has CHA been with the current provider?

Five years since the last RFP.

18. Is the current provider bidding on the engagement?

Unknown.

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

- a. Prior year audit fees. Please see audits.
- b. Schedule of auditors in the field, if known (ex: 2 people for 2 weeks in November)

Depends on the audit firm's staff knowledge and capabilities.

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

Unknown at this time. No RAD applications have been submitted.

21. Section 1.3 indicates there are separate reports issued for the three affordable housing properties. Are these audits included in the RFP and should they be shown as a separate fee in the bid?

Yes, these audits are included in this RFP. These audit should be included in the bid, and do not need to be shown as a separate fee in the bid.

22. Will CHA or the audit firm be responsible for the input of the audited FDS to REAC?

Audit Firm.

23. Are there any tax services need related to the affordable housing properties or CHDC?

No, not at this time.