



ADDENDUM NO. 1

DATE: February 3, 2017
REQUEST FOR PROPOSAL (RFP): RFP W170014237 External Auditing RFP
DATED: January 20, 2017
RECEIPT DATE: February 9, 2017 @ 3:30 PM
SUBJECT: Clarification, Questions & Responses, and Additional Information

Ladies/Gentlemen:

Please take note of the following:

Clarification:

1. For purposes of clarification, the scope of this Request for Proposals does not include an audit of or opinion on the Richmond Retirement System's comprehensive annual financial report.
2. Please replace Part I Statement of Needs – Section 3.3 Tab 3 – **Qualifications** as follows:
 - 3.3 ***Tab 3 – Qualifications.*** *This tab should explain in detail how the offeror and its personnel meet the requirements of Section 2.1 (“Qualifications”). Experience as a firm and that of its personnel in performing external audits of governmental entities in Virginia is strongly preferred, so this tab should describe in detail the offeror’s experience as external auditor for governmental entities in Virginia.*

Questions and Responses

1. Please provide an electronic copy of the City's CAFR for the fiscal year ended June 30, 2016, along with any communication to those charged with governance, or internal control letter, or management letter? Thanks so much. Looking forward to working with you again.
 - a. The City's CAFR for the fiscal year ended June 30, 2016 (FY2016) has not yet been issued, nor has the internal control report been finalized. The City engaged CliftonLarsonAllen, LLP in November 2016 for its FY2016 audit, which will not be completed until the end of March 2017
2. What were the prior year fees for each of the audit deliverables?
 - a. *The not to exceed price for the ongoing FY2016 audit is \$325,000.*
 - b. *The contract price for the FY2015 audit was \$362,645, with an allowance of \$13,925 per additional major program above five for the Single Audit. There were eleven major programs audited, so an additional \$83,550 would be applicable above the contract price.*
3. How many hours did the most recent audits take to complete?

- a. *The number of hours performed for the FY2015 and FY2016 audits by the external firms has not been shared with City officials.*
4. Did any events occur that would make the current year audit significantly different from the prior year?
 - a. *No major events are notable at this time.*
5. Have there been any significant operational changes since the prior year's audit?
 - a. *The Finance Department has filled a number of previously vacant general accounting positions subsequent to the FY2015 audit, otherwise no significant operational changes have occurred.*
6. Were there any audit misstatements identified (corrected or uncorrected) by the auditors during the most recent audit? If so, what was the amount and nature of the misstatements?
 - a. *Please reference Footnote 17 of the City's FY2015 CAFR for the restatements.*
7. Were there any management letters comments, significant deficiencies or material weaknesses in internal control issued by the auditors? If so, what was the nature of those comments or findings?
 - a. *The 2015 Report on Internal Controls is posted on the Finance Department's website at: <http://www.richmondgov.com/Finance/AnnualFinancialReports.aspx#InternalControl>*
8. How long has your incumbent firm been the auditors for F/S?
 - a. *The incumbent firm has been engaged only for the FY2016 audit.*
9. Please describe the level of assistance, if any, required of the audit firm in the preparation of the F/S and footnotes.
 - a. *Not applicable.*

Additional Information

- A. **Please complete the attached MBD Past Good Faith Efforts Form.** This form, along with the MBD/ESB forms currently included in the RFP, should be completed and included with your response to the RFP.

Vendor must take due notice and be governed accordingly. This addendum must be acknowledged and included with the proposal(s) submission as indicated in the RFP or your response may not be considered.

Sincerely,

Contracting Officer

RESPECTFULLY SUBMITTED:

Company

BY: _____

Title

Date



Minority Business Development
 900 East Broad Street
 City Hall, 16th Floor
 Richmond, VA 23219
 Office: (804) 646-5947
 Fax: (804) 646-0136

<http://www.richmondgov.com/MBD>

MBE/ESB Past Good Faith Efforts Participation Form

All firms listed in this directory have registered with the City of Richmond as a minority owned business (MBE) or certified as an Emerging Small Business (ESB). It should be noted, that there are MBE businesses listed in this directory that are not certified. Therefore, any prime contractor/vendor desiring to use a registered MBE firm that is not certified, must be aware, that the registered MBE firm has 180 days to get certified or before the completion of the contract, whichever is less, or the prime contractor/vendor risks not receiving credit toward the minority participation goal for the said project.

COMPANY DATA	COMPANY NAME:		CONTRACT NAME/NO:	
	CONTACT NAME:	PHONE #	Fax#	
	Email Address:			
	How long has your firm been in Business?			

If you can verify your firm has made past good faith efforts in the **Public or Private Sector** to engage MBE/ESB firms through subcontracting, joint venture, mentor-protégé, or apprenticeship opportunities over the past three (3) years, you may be eligible to earn additional points for this project. Please include valid documentation to support this claim. Feel free to attach additional pages, if necessary. **Enter Below Code for Ownership of each MBE Firm.**

- 1 = African American 2 = Hispanic American 3 = Asian American
 4 = American Indian 5 = Other (Specify Below)

Yes – may be eligible – Complete section below No – not eligible

CONTACT PERSON/PHONE NUMBER/PROJECT NAME / DATE	DID YOU MEET THE MBE GOAL?	SCOPE OF WORK	MBE/ESB COMPANY NAME/CONTACT PERSON/PHONE	MBE/ESB Code

DEFINITIONS	MINORITY BUSINESS ENTERPRISE	GOOD FAITH MBE/ESB PARTICIPATION EFFORTS	EMERGING SMALL BUSINESS
	A business at least 51% of which is owned and controlled or 51% operated by minority group members or, in case of a stock corporation, at least 51% of the stock which is owned and controlled by minority group members. Minority group members are citizens of the United States who are African American, Hispanic American, Asian American and American Indian.	The sum total of efforts by a particular business to provide equitable participation of minority business enterprise or emerging small business subcontractors. For past efforts, this sum total shall be comprised of the record of participation by minority business enterprises and emerging small businesses through subcontracting or joint ventures. For future efforts, it shall be comprised of such efforts, which are proposed to allow equitable participation of minority business enterprise or emerging small business subcontractors.	A business that (1) has been certified by the Office of Minority Business Development for a period of seven years or less.,(2) has annual gross receipts for each of its three fiscal years preceding application for certification of \$500,000 or less if engaged in the construction business or of \$250,000 or less if engaged in non-construction business, (3) has fewer than ten employees, (4) is not a subsidiary of another business and does not belong to a group of businesses owned and controlled by the same individuals, (5) has its principal place of business within the City of Richmond Enterprise Zone, (6) possesses a City business license, and (7) pays personal property, real estate, and business taxes to the City of Richmond.

Bidder and the MBE/ESB agree that the MBE/ESB shall not subcontract or assign any work described herein to another entity without prior written approval of the City of Richmond.

THE UNDERSIGNED HEREBY CERTIFIES THAT S/HE HAS READ THE TERMS OF THIS COMMITMENT AND IS AUTHORIZED TO BIND THE BIDDER TO THE COMMITMENT HEREIN SET FORTH.

SIGNATURE OF AUTHORIZED OFFICIAL:	DATE:
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