



District of Columbia Housing Authority

1133 North Capitol Street, NE Washington, DC 20002-7599

202-535-1000

Adrienne Todman, Executive Director

Addendum

Addendum No. 2

Issued: April 26, 2017

EXTERNAL AUDIT SERVICES

0023-2017

All respondents shall acknowledge receipt of this addendum, sign below and return it with your proposal. **Failure to acknowledge receipt of this addendum may be cause for rejection of your proposal.** Respondents are informed that the above named solicitation is modified as follows:

- I. The District of Columbia Housing Authority submits its responses to all questions received related to the subject solicitation. Please reference **"Attachment A"**.
- II. The subject Solicitation closing date is changed from: Wednesday, May 3, 2017 @11:00am -to-Wednesday, May 10, 2017 @11:00am

All Other Terms and Conditions Remain Unchanged
End of Addendum No. 2

Cheryl Moore
Contracting Officer

Acknowledgement of Receipt:

Respondent: _____

Name: _____ Title: _____

ATTACHMENT A
External Audit Services 0023-2017

Questions & Responses

QUESTION 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?)

DCHA RESPONSE: DCHA has a new Chief Financial Officer and will have a new Executive Director in the near future, but this would not impact the audit scope of services.

QUESTION 2:

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

DCHA RESPONSE: None.

QUESTON 3:

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

DCHA RESPONSE: None.

QUESTION 4:

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

DCHA RESPONSE: The expertise and advice required for these services is detailed and expected through the scope of work. DCHA does not provide comment on services currently under contract.

QUESTION 5:

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

DCHA RESPONSE: DCHA seeks the most responsive and responsible external auditing firm that is competent to provide the full range of services outlined in the detailed scope of work.

QUESTION 6:

Is there any specific expertise and advice DCHA is looking for that it may not be receiving from its current provider? For example, is DCHA satisfied with the incumbent auditors?

- a. timeliness
- b. pro-activeness on communications
- c. involvement outside of the audit process
- d. value they provide to DCHA

DHCA RESPONSE: DCHA does not provide comment on services currently under contract. Respondents are encouraged to include their expertise as well as the attributes of the auditing firm that demonstrate their ability to provide the External Auditing Services solicited.

QUESTION 7:

Are there any improvements you would like to see in the audit process?

DCHA RESPONSE: Respondents are encouraged to include any specific firm practices, innovations and/or improvements utilized when managing an audit process.

QUESTION 8:

Was there any turnover with the incumbent auditor's staff?

DCHA RESPONSE: Yes, the principal for the firm changed, however the oversight and level of service was not affected.

QUESTION 9:

Has there been any disagreement with the incumbent? If yes, please provide some background on the issue.

DCHA RESPONSE: None.

QUESTION 10:

Is the current provider bidding on the engagement?

DCHA RESPONSE: We have not been advised by the current provider whether they were responding to this solicitation.

QUESTION 11:

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)

DCHA REAPONSE: Requested information is subject to disclosure by requests under Freedom of Information Act (FOIA). Prior audit fees are available by FOIA request. Respondents should base the proposals on their staffing requirements to complete the requested scope of services.

QUESTION 12:

What is the status of the RAD conversion (all projects complete, some settled and some in process, none yet settled, etc.)

DCHA RESPONSE: None yet settled.

QUESTION 13:

Based on the existing and/or proposed structure of the RAD projects, what is the impact on the audit of DCHA (component units created, additional investments in related entities, etc.)?

DCHA RESPONSE: DCHA reserves comments until the RAD conversion is complete.

QUESTION 14:

Please provide the most recent audited financial statements of:

- a. D.C. Housing Enterprises and Subsidiaries
- b. D.C. Housing Solutions, Inc.
- c. Construction Services Administration, LLC
- d. Community Vision, Inc.
- e. Capitol Housing Partners, LLC
- f. Northwest One/Temple Courts Redevelopment Corporation

DCHA RESPONSE: Audited financial statements are subject to public disclosure through requests made under the Freedom of Information Act (FOIA). DCHA has provided the assets, revenues and scope of work for the above entities within the RFP.

QUESTION 15:

Were there any additional billings from the auditor for the 2016 audits and, if so, what was the amount?

DCHA RESPONSE: None.

QUESTION 16:

What IT system does the Authority use?

DCHA RESPONSE: Visual Homes/Account Mate.

QUESTION 17:

What was the number of audit adjustments made proposed by the auditor for the Authority?

DCHA RESPONSE: Requested information is subject to disclosure through requests under the Freedom of Information Act (FOIA).

QUESTION 18:

Is the auditor required to prepare the financial statements or does the Authority?

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DCHA RESPONSE: The auditor prepares the financial statements for the audit based on data provided by the Authority.

QUESTION 19:

Who performed the auditing service and how long has that firm been engaged?

DCHA RESPONSE: Auditing Services were previously awarded for a five-year term to Clifton Larson Allen, LLP.

QUESTION 20:

Please provide the SAS 114 letter for the Authority for the year ended September 30, 2016.

DCHA RESPONSE: Request for the SAS 114 Letter is subject to disclosure through a request under the Freedom of Information Act (FOIA).

QUESTION 21:

Did the auditor prepare a management letter for the Authority for the year ended September 30, 2016?

DCHA RESPONSE: Yes.

QUESTION 22:

When do you anticipate fieldwork to begin and end for the September 30, 2017 audit?

DCHA RESPONSE: The time frame is outlined in the RFP.

QUESTION 23:

Could you provide a copy of the most recent audited financial statements along with any management letters or other communications provided by the current auditors?

DCHA RESPONSE: FY2016 Audit Reports are not available yet. Previous audited financial statements, management letters and communication is subject to disclosure by request under FOIA.

QUESTION 24:

Is the current auditor eligible to propose?

DCHA RESPONSE: Yes.

QUESTION 25:

How many days are the auditors typically on-site for preliminary fieldwork and final fieldwork?

DCHA RESPONSE: Approximately 4 weeks.

QUESTION 26:

Does each entity listed in the RFP issue separate financial statements or are all the entities reported in one set of financial statements?

DCHA RESPONSE: Each entity issues separate financial statements.

QUESTION 27:

What was the fee for the September 30, 2016 audit?

DCHA REAPONSE: Response to this request is subject to disclosure through a request under the Freedom of Information Act (FOIA).

QUESTION 28:

Does the Authority anticipate any major changes to its current financial reporting system?

DCHA RESPONSE: DCHA is considering an upgrade to the current financial reporting system.

QUESTION 29:

Does the Authority have “internal audit” staff?

DCHA RESPONSE: Yes.

QUESTION 30:

RFP Page 8, Section *C.4 Content of Proposals*: Please clarify if Attachments A – L will be included in the 30 page count. Could they be attached as an appendix as to ensure that we have enough space to sufficiently answer the other RFP technical proposal requirements?

DCHA RESPONSE: The Certifications and Attachments are not included in the 30 page limitation. Yes, Respondents should include the Certifications and Affidavits within the Technical Proposal as specified under Section C.4 “Content of Proposals.”