



## JEFFERSON COUNTY, TEXAS PURCHASING DEPARTMENT

1149 Pearl Street – First Floor  
Beaumont, Texas 77701  
409-835-8593

### ADDENDUM TO RFP

RFP Number: RFP 20-013/YS

RFP Title: Auditing Services for Jefferson County

RFP Due: 11:00 am CT, Wednesday, May 27, 2020

Addendum No.: 1 (one)

Issued (Date): May 15, 2020

**TO OFFEROR:** This Addendum is an integral part of the RFP package under consideration by you as an Offeror in connection with the subject matter herein identified. Jefferson County deems all sealed proposals to have been proffered in recognition and consideration of the entire RFP package – **including all addenda**. For purposes of clarification, **receipt of this present Addendum by an Offeror should be evidenced by returning it (signed) as part of the Offeror's sealed proposal**. If the Proposal has already been received by the Jefferson County Purchasing Department, Offeror should return this addendum in a separate sealed envelope, clearly marked with the RFP Title, RFP Number, and Opening Date and Time, as stated above.

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Reason for Issuance of this addendum: To answer proposer questions and include 2018 SAS Letter and 2019 SAS Letter.

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**The information included herein is hereby incorporated into the documents of this present Bid matter and supersedes any conflicting documents or portion thereof previously issued.**

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Receipt of this Addendum is hereby acknowledged by the undersigned Offeror:

ATTEST:

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Authorized Signature (Offeror)

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Witness

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Title of Person Signing Above

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Witness

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Typed Name of Business or Individual

Approved by \_\_\_\_\_ Date: \_\_\_\_\_

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Address

## Jefferson County – RFP Questions

1. Noted the 2019 CAFR is available on your website, can you confirm if there are any major transactions or activity in FY2020 that is significantly different than the 2019 CAFR?

Nothing significant at this point. FY 2020 will have the transactions related to the County's response to COVID-19 which may have one possibly two grants and hopefully FEMA funding. We are still in the process of trying to get Hurricane Ike closed out and are continuing with items associated with Tropical Storm Harvey.

2. Can you provide a copy of the latest available letter to those charged with governance (management letter)?

See attached

3. Can you provide the number of audit adjustments in the previous two years?

The firm had one recommendation in FY 2018, which the County made the adjustment. In FY 2019, the firm recommended one adjustment that had a zero dollar impact on fund balance in the fund level statements that the County did not book due to the difficulty of valuing. The proposed adjustment was related to the amount to properly distribute for the receivable and corresponding deferred revenue between General Funds and Special Revenue funds related to outstanding Fines and Court Cost.

4. For FY19 audit, can you provide the number of client proposed adjustments that were proposed after the beginning of year-end fieldwork?

Three entries on County G/L (two of which were booked prior to arrive for fieldwork but after we provided the trial balance. In addition, one entry on Ford Park – Operations general ledger.

5. Noted your 2018 RFP for audit services included FY19 and FY20 as option years, why is Jefferson County seeking a different audit firm for FY20? Also, is the current audit firm (Whitley Penn LLP) permitted to propose on this RFP?

The responses for the 2018 RFP were very competitive and the current firm increased the audit fee for year two so the County has opted to shop the market. Yes, the current firm is permitted to make a proposal on the current RFP.

6. Has there been any service issues in previous audits?

No

7. What is the City looking for from their external auditors?

The County wants a quality audit and for the firm to provide guidance/assistance on implementation of new GASB pronouncements as needed.

8. Can you provide the estimated number of hours incurred by the previous auditor? If that information is unavailable can you provide the number of weeks and number of auditors that were onsite for planning, single audit, and year-end fieldwork?

On site for about four weeks total with two staff most of the time. Some of the time may have had up to four staff on site.

9. Can you provide total audit fees for the two previous years?

FY 2018 = \$67,770 and FY 2019 = \$69,800

10. In light of the current COVID-19 pandemic, we've noted numerous other governments are temporarily accepting electronic submission of proposals, will Jefferson County also allow for electronic submissions of proposals? If so, can you provide instructions?

The County will not be accepting electronic submissions. FedEx, UPS, and USPS are delivering daily to our facility.

11. Do your current auditors utilize a Historically Underutilized Business (HUB) subcontractor, if so, what is the percentage? Also, do you have a list of HUB firms that we may be able to consider?

Not that we are aware. No list.