



February 14, 2020

ADDENDUM III

Purchase of Financial Audit, Tax and Other Attestation Services CSP No. 20A-010

I. The following is being provided in response to questions received:

1. Why is the District going out for audit?
Response: The purpose of this CSP is to solicit proposals for the purchase of Financial Audit, Tax and Other Attestation Services for Alamo Colleges District. The scope of services is required to assist the Alamo Colleges District with obtaining a Financial Audit inclusive of all campus locations, Tax and Other Attestation Services.
2. Were there any issues with the current auditor?
Response: None
3. Were there any journal entries discovered by the auditors during the 2019 audit process?
Response: See response from Addendum II.1 issued February 7, 2020.
4. How many auditors and how many days were the auditors in the field for interim and final fieldwork?
Response: See response from Addendum II.8 issued February 7, 2020.
5. Outside of the audit process, what does the District find/define value from its auditors?
Response: Outside of the audit process, the District finds value from its auditors to the extent they can be a resource and subject matter expert for assisting with interpretation of GASB and FASB accounting pronouncements, and provide training and CPE opportunities for relevant accounting and financial reporting topics.
6. Were there any major audit issues identified for 2019? Any anticipated ones for 2020?
Response: No, see also "2019 Audit Wrap up Presentation and Discussion" PowerPoint presentation provided as attachment to Addendum II, and no major audit issues are anticipated in 2020.
7. What part of the audit process would the District like to improve over the past audits?
Response: The prior audit processes have been effective and efficient. The District is a strong proponent of continuous improvement and welcomes any ideas or methods to improve the audit process.
8. What transition issues would the District be concerned about if the audit is awarded to new auditors?
Response: The District would be concerned about standard transition issues such as the new firm gaining an understanding of our ERP system, our accounting (GL) structure, and our accounting and reporting processes and procedures. All proposals received meeting the minimum qualifications will be evaluated in accordance with the specifications and requirements of the CSP.

The deadline to submit a proposal for this project is by no later than 2:00 p.m. C.S.T., February 25, 2020.



9. Have there been any significant changes in key staff in the past year that would affect the 2020 audit?

Response: No changes in key staff are expected to affect the 2020 audit.

10. Are there any significant changes in federal funding anticipated for 2020?

Response: No changes are anticipated.

11. Assuming each bidder's proposed fees are equal, what is the next most important thing to the District?

Response: All proposals received meeting the minimum qualifications will be evaluated in accordance with the specifications and requirements of the CSP commensurate with the criteria weighting listed in the Evaluation Table in Section 2.

12. What were the fees for the prior year audits for the District? Provided with Addendum II

Response: See response from Addendum II.6 issued February 7, 2020.

13. Regarding the Scope of Work on page 10 of the issued CSP: It states that the Colleges may select more than one contractor for the combination of the requested services. How have the services been broken out in the past and by how many firms?

Response: Prior to 2019, three firms provided the services requested. One firm performed the Alamo Colleges Foundation audit and prepared the Foundation's 990; one firm performed the District and Northeast Lakeview College's financial and single audits; and one firm provided the audit, review, and tax return preparations services for the ACCD Public Facility Corporation, Tobin Lofts, LLC and Tobin Lofts Condominium Association.

In 2019, 2 firms were utilized. One firm provided for the District and Northeast Lakeview College's financial and single audits and the audit of the Alamo Colleges Foundation; and one firm was used for the preparation of the Foundation's 990 and for the audit, review, and tax return preparations services for the ACCD Public Facility Corporation, Tobin Lofts, LLC and Tobin Lofts Condominium Association.

14. Regarding the Minimum Qualifications: Will the District accept the mobility legislation, permitting a licensed CPA in good standing from an equivalent state to practice outside of his or her principal place of business without obtaining another license?

Response: No, the District requires that the engagement and review partners, manager or principal, supervisor and senior auditors will be certified public accountants licensed in Texas, as stated in the minimum qualifications listed on page 5, of the CSP.

15. Section 2, Item A #6 requires a copy of our most recent financial statements. As a firm, we do not have the required annual financial statements and as a policy do not provide unaudited financial statements since they are confidential in nature. Would the District accept alternatives, such as our D&B score along with a letter from our bank to provide information regarding the financial stability of our firm?

Response: See response from Addendum II.3 issued February 7, 2020.

16. Regarding Section 2, Item A #21 and #22 on page 22 of the issued CSP: Does the \$1,000,000 threshold apply to the single year fee, or the total six-year engagement? Provided with Addendum II

Response: See response from Addendum II.5 issued February 7, 2020.

The deadline to submit a proposal for this project is by no later than 2:00 p.m. C.S.T., February 25, 2020.



17. We need your help with the question that may impact our ability to respond. Regarding the following Minimum Qualification item 3 (RFP page 5):

As per the Minimum Qualifications: Offeror shall affirm in writing: The firm will be in good standing and will not have any disciplinary actions during the past 3 years with the Texas State Board of Public Accountancy and submit evidence with its Firms` proposal submission.

Our firm is now and has been in good standing with the Texas State Board of Public Accountancy for many years, but our firm did have one complaint filed with the Board in 2013, and one complaint filed with the Board in 2016. Both of these complaints were resolved by the Board with a reprimand during 2017. Neither of these complaints/reprimands impacted our license to serve clients in Texas. We have no complaints filed since 2016 nor pending now. Will these 2 old complaints cause ACCD to reject our proposal?

Response: All proposals received meeting the minimum qualifications will be evaluated in accordance with the specifications and requirements of the CSP commensurate with the criteria weighting listed in the Evaluation Table in Section 2.

The deadline to submit a proposal for this project is by no later than 2:00 p.m. C.S.T., February 25, 2020.