



**ADDENDUM #1
Office of Financial Management
Auditing Services
RFP # 7255-21**

August 13, 2021

The attached addendum supersedes the original Information and Specifications regarding RFP # 7255-21 where it adds to, deletes from, clarifies or otherwise modifies. All other conditions and any previous addendums shall remain unchanged.

Please note: Due to COVID-19, BIDS will only be accepted electronically by emailing purchasing@bouldercounty.org.

1. Question: Aside for Coronavirus State and Local Fiscal Recovery Funds (ARPA), does the County expect to receive any new large grants?

ANSWER: No, Boulder County is not anticipating any additional new large grant awards.

2. Question: Approximately how much ARPA funds does the County expect to spend in FY 2021 & in FY 2022?

ANSWER: Boulder County was awarded \$ 63,359,749.00 in ARPA funding. The Boulder County Commissioners have approved \$5 million in initial spending to cover immediate needs. No additional decisions have been made regarding spending.

3. Question: Does the County anticipate to issue any new debt in FY 2021 or FY 2022?

ANSWER: No, the county currently has no outstanding voter approved debt capacity and no bonding issues will included on the 2021 ballot. We also

currently have no plans to issue additional COPs. The county did however refund its 2015 Flood COP in June of 2021 due to favorable interest rates.

4. Question: Why is the County going out to bid? Is it required or optional?

ANSWER: The County has been bidding annual audits on a five year basis for some time as a matter of policy. In 2020, due to challenges from Covid and a new system implementation, the County decided to renew the existing audit contract for an additional year and go back out to RFP in 2021.

5. Question: How many hours do the current auditors spend on the audit engagement?

ANSWER: The County does not have knowledge of audit hours incurred by our external auditors.

6. Question: How many auditor-identified journal entries are typically recorded each year?

ANSWER: Once final trial balances are presented to the auditors all entries are tracked by both the County and the auditors and any entries are mutually agreeable when booked. Please see the attached 2019 Governance Communication letter for a summary of corrected and uncorrected misstatements.

7. Question: What are the current audit fees?

ANSWER: The fees for the past three audits can be found in the answer to question 12. Additional fees were incurred for the 2019 audit due to unforeseen challenges related to the County's implementation of a new ERP system.

8. Question: How does the County stay current with GASB pronouncements?

ANSWER: Primarily through GFOA and CGFOA trainings and notifications regarding new and upcoming guidance.

9. Question: Can you please provide prior years' management letters and communication?

ANSWER: Yes, these are included as attachments.

10. Question: Would you please provide the amounts and types of funding the County has received/been awarded under the CARES Act, CRRSA Act and ARPA funding?

ANSWER: CARES Act \$16,135,618
 ARPA \$63,359,749
 Emergency Rental Assistance Round 1 \$9,816,678.90
 Emergency Rental Assistance Round 2 \$4,948,771.92

11. Question: How far in the process is the County in assessing the impact of Governmental Accounting Standards Board Statement No. 87, Leases, and what impact do you expect this to have on the current presentation? Has the County started analyzing its leases and do you know the number of leases across the organization? What level of assistance would you like the auditor to provide?

ANSWER: The county is in the process of inventorying all leases. The county anticipates being fully in compliance with the standard in advance of implementation. At this time, the County does not expect any additional assistance will be needed from the auditors beyond normal audit procedures surrounding the implementation of a new GASB statement.

12. Question: How many auditors were onsite for both interim and final fieldwork and for how long?

ANSWER: The last two years the auditors have worked primarily from remote locations so the County does not know how they utilized their work force.

13. Question: Would you please provide fees for the prior 3 years, segregated between the financial audit, single audit, and any work outside the scope of the audit if applicable?

ANSWER: Fees for the past three years are as follows.

	Year ended December 31,		
	2017	2018	2019
Boulder County Financial Statements	\$ 117,600	\$ 121,100	\$ 124,700
Public Health Financial Statements	24,500	25,200	26,000
County-wide Single Audit	83,800	86,300	88,900
Other Services 1	5,045	-	6,000
Other Services 2	-	-	25,930
Other Services 3	-	-	65,450
Total Annual Cost	\$ 230,945	\$ 232,600	\$ 336,980

The 2020 audit is not complete at this time.

14. Question: Are there any specific accounting or auditing concerns? What, if any, new regulations, standards, or issues may cause the County concern for the upcoming year and beyond?

ANSWER: The County is working on implementation of GASB 87 and expects to be ready for implementation in a timely manner. The County is assessing the impact of other pending GASB pronouncements, but does not have any particular concerns at this time. The County is more concerned about the impact of ARPA and compliance with the requirements of that funding stream, but is diligently working on learning the nuances of ARPA. Also see the answer to question 23 for

15. Question: Is the incumbent auditor invited to bid for another term

ANSWER: Yes.

16. Question: What would the County like to change about the audit process? How can the process be improved?

ANSWER: The number one priority for the County is getting back on schedule with getting the audit completed and released by June 30th, with a longer term goal of being complete by May 31.

17. Question: Do we anticipate the final 2020 audited financial statements, Single Audit and related management letter and communication to governance to be available prior to deadline for submission of proposals?

ANSWER: No.

18. Question: Is the County able to provide an update on the status of the findings from the 2019 audit?

ANSWER:

- 2019-001 – The County is working to improve the cash reconciliation process and expects to have the process working correctly going forward.
- 2019-002 – The County is working diligently on reconciling accounts receivable and expects to have the process working correctly going forward.
- 2019-003 – The County corrected the error in fiduciary activity reporting and does not expect to have problems with fiduciary activity reporting going forward.
- 2019-004 – The 2020 audit is delayed, in part due to the delays in completing the 2019 audit. We are working to improve the County's financial reporting timeline with a goal of getting the 2020 reports issued significantly earlier than the 2019 reports were issued and we plan to have the 2021 audit completed and reports issued by June 30, 2021.

- 2019-005 – 009 – The County has taken steps to correct the errors that resulted in the findings.

19. Question: We noted the audit services was sent to RFP in 2020. Is the County able to elaborate why an RFP was necessary again in 2021?

ANSWER: Due to Covid and challenges with a new ERP system implementation, the County decided to renew the existing audit contract for one year.

20. Question: Is there anything about the current audit process that could be improved upon or changed?

ANSWER: See number 15.

21. Question: What are the things that are most important to the County and its staff with respect to the audit engagement?

ANSWER: Open and frequent communication, which we have today, is the key to smooth and timely completion of annual audits. Additionally, the County values the knowledge and experience of the firm and the audit team with respect to county government. Stability within the firm's audit team is also important to the County.

22. Question: Have there been or are there planned changes in key management and accounting staff of the County or its component units?

ANSWER: Within the Office of Financial Management, no changes. Our Public Health Director retired in 2021. The position has been filled by a qualified public health official after a nationwide search. Within the Housing and Human Services Department, the county recently hired a new Housing Finance Manager. The new manager previously worked for the county within both the Office of Financial Management and within Public Health as its finance manager. Currently the Finance Manager for the Human Services side to that department has vacated and will be recruited.

23. Question: With the issuance of GASB 95, subsequent GASB statements and continued impacts of the pandemic; what is the planned implementation dates by the County for future GASB Standards that have yet to be implemented (GASB 87 and so on)??

ANSWER: The County is not planning to early implement any GASB statements in the foreseeable future. As such, the expected implementation date for all pending GASB's is based on the schedule GASB requires.

24. Question: Other than pandemic related budget impacts, what challenges or significant changes does the County expect to face over the next five years (i.e. GASB 87, Uniform Guidance, public private partnerships, accounting system conversion, etc...)? How can the auditor assist the County with these challenges, taking into consideration independence requirements?

ANSWER: A key challenge has been getting back on schedule with the audit calendar and issuing financial statements within statutory deadlines. These challenges arose following an ERP system conversion in 2019. We continue to work on reporting to support staff, management and our auditors. From a budgetary standpoint we continue to monitor the state legislation related to changes to the Residential Assessment Rate (RAR). Currently our property tax collections remain strong and assessed values continue to rise, but the county remains cautious as property tax is our largest revenue stream.

25. Question: Does the County have a spending plan or preliminary budget for ARPA Funds?

ANSWER: Boulder County was awarded \$63,359,749.00 in ARPA funding. The Boulder County Commissioners have approved \$5 million in initial spending to cover immediate needs. No additional decisions have been made regarding spending.

Submittal Instructions:

Submittals are due at the email box only, listed below, for time and date recording on or before **2:00 p.m. Mountain Time on August 20,2021.**

Please note that email responses to this solicitation are limited to a maximum of 50MB capacity.

NO ZIP FILES OR LINKS TO EXTERNAL SITES WILL BE ACCEPTED. THIS INCLUDES GOOGLE DOCS AND SIMILAR SITES. ALL SUBMITTALS MUST BE RECEIVED AS AN ATTACHMENT (E.G. PDF, WORD, EXCEL).

Electronic submittals must be received in the email box listed below. Submittals sent to any other box will NOT be forwarded or accepted. This email box is only accessed on the due date of your questions or proposals. Please use the Delivery Receipt option to verify receipt of your email. It is the sole responsibility of the proposer to ensure their documents are received before the deadline specified above. Boulder County does not accept responsibility under any circumstance for delayed or failed email or mailed submittals.

Email **purchasing@bouldercounty.org**; identified as **RFP # 7255-21** in the subject line.

All proposals must be received and time and date recorded at the purchasing email by the above due date and time. Sole responsibility rests with the Offeror to see that their bid is received on time at the stated location(s). Any bid received after due date and time will be returned to the bidder. No exceptions will be made.

The Board of County Commissioners reserve the right to reject any and all bids, to waive any informalities or irregularities therein, and to accept the bid that, in the opinion of the Board, is in the best interest of the Board and of the County of Boulder, State of Colorado.



**RECEIPT OF LETTER
ACKNOWLEDGMENT**

August 13, 2021

Dear Vendor:

This is an acknowledgment of receipt of Addendum #1 for RFP #7255-21, Auditing Services.

In an effort to keep you informed, we would appreciate your acknowledgment of receipt of the preceding addendum. Please sign this acknowledgment and email it back to purchasing@bouldercounty.org as soon as possible. If you have any questions, or problems with transmittal, please call us at 303-441-3525. This is also an acknowledgement that the vendor understands that **due to COVID-19, BIDS will only be accepted electronically by emailing purchasing@bouldercounty.org.**

Thank you for your cooperation in this matter. This information is time and date sensitive; an immediate response is requested.

Sincerely,

Boulder County Purchasing

Signed by: _____ **Date:** _____

Name of Company _____

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