



**ADDENDUM #1
Housing & Human Services
Boulder County Housing Authority Audit and Tax Services
RFP # 7260-21**

September 2, 2021

The attached addendum supersedes the original Information and Specifications regarding RFP # 7260-21 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: Can you provide a copy of your most recent audit report, management letters, and Uniform Guidance Schedule of Federal Awards, and Schedule of Findings and Corrective Actions?

ANSWER: Please see all relevant audit reports at the following Boulder County Website: (copy and paste to your browser)

<https://www.bouldercounty.org/departments/housing-and-human-services/transparency/#1488475496134-cd4822d6-9ec2>

2. Question: 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?)

ANSWER: The Spoke on Coffman LLC is a 9% LIHTC project currently under construction expected to be completed and qualified for occupancy in the Spring of 2022. The planned mixed-use property will include 73 homes to serve households with income at or below 60% of AMI, a 262-space parking garage,

and commercial space including a workforce enterprise café, and office space for Boulder County Housing Authority staff.

Information on Coffman Place may be found at this Website: (copy and paste to your browser)

<https://www.bouldercounty.org/families/housing/developments/coffman/>

An affordable housing project in pre-development is Willoughby Corner, a 400 mixed permanent affordability property planned for the City of Lafayette, in pre-development at least through 2022.

Information on Willoughby Corner may be found at this Website: (copy and paste to your browser)

<https://www.bouldercounty.org/families/housing/developments/lafayette/#1546889270443-75b7512e-056c>

3. Question: What are the most challenging aspects of the audit process for BCHA and specifically the accounting and finance team? For example, how has COVID affected the audit process? Is there anything you would like to see done differently?

ANSWER: BCHA is a complex organization, a blended component unit of Boulder County including the County Housing Authority, a public purpose financial enterprise fund, as well as the managing partner in four discretely presented component unit qualified LIHTC entities, and focused on a future of growth in the development of additional LIHTC entities in consort with community partners to meet increasing needs of citizens throughout the County for affordable housing. As the manager of multiple LIHTC entities, BCHA's powers are subject to operating, lending and inter- and intra-governmental agreements with multiple project stakeholders.

Remote work due to COVID has not materially impacted the audit process as both BCHA and auditor technological resources have allowed for efficiencies in not only the electronic transfer of data and electronic communications, but also in particular, successful adaptation to virtual meetings through MS Teams.

Staff shortages, a current challenge for multiple industries across the national economy, occurring as a result of multiple economic factors, one arguably being a fallout of COVID, has impacted BCHA's ability to timely complete the year-end financial close.

The 2020 audit, though close to completion, in fact is not yet complete due to unresolved complexities in accounting for Coffman project including how to account for intergovernmental funding agreements, and in the determination of cost allocations between the residential and commercial spaces.

There is nothing that materially stands out as needing to be done differently with regard to the structure of the audit and tax work.

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

ANSWER: No.

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

ANSWER: Management and the board are intent on proceeding in a fair and equitable RFP process and in offering the opportunity to the bidder who is judged to most be the most likely candidate to efficiently and effectively meet the requirements of the scope of work, regardless of whether the winning bidder is the current or new auditing firm.

6. Question: How long has BCHA been with the current provider?

ANSWER: The current auditor has served the BCHA board for the past five annual audits.

7. Question: Is the current provider bidding on the engagement?

ANSWER: Unknown.

8. Question: In an effort to understand the level of effort currently exerted by the incumbent auditing firm, please provide:
Prior year audit fees.

ANSWER: Vendor pricing, such as audit fees, is confidential information, and not subject to disclosure.

Schedule of auditors in the field, if known (ex: 2 people for 2 weeks in November).

ANSWER: All work is being completed remotely.

9. Question: Does BCHA currently, or plan to participate in HUD's RAD program and if so, what is the status of any conversions (all projects complete, some settled and some in process, none yet settled, etc.).

ANSWER: There are no conversions currently in process. BCHA is strategically focused on as much as possible participating in the growth of affordable housing for citizens in need throughout Boulder County.

10. Question: Will the 2019 and 2020 audited financial statements be made available for review?

ANSWER: 2019 audited financial statements are available to the public for review at the following website: (copy and paste to your browser)

<https://www.bouldercounty.org/departments/housing-and-human-services/transparency/#1488475496134-cd4822d6-9ec2>

11. Question: Will the 2020 tax returns be made available for review?

ANSWER: The 2020 audit, though close to completion, in fact is not yet complete due to unresolved complexities in accounting for Coffman project including how to account for intergovernmental funding agreements, and in the determination of cost allocations between the residential and commercial spaces.

12. Question: Is there an expectation that the work will be done remotely, on-site or a mix of both?

ANSWER: We anticipate the work will be done as needed in keeping with staff safety depending on circumstances. There is an expectation that while on-site, both BCHA and audit staff will comply with any protective measures in place as authorized by County and BCHA leadership.

13. Question: Are there any expected changes or increases in the major programs to be audited?

ANSWER: Coffman is converting to permanent LIHTC financing in 2022. Willoughby Corner is in pre-development at least through 2022. (See also the answer to Question #2 above.)

14. Question: Did the Housing Authority receive and CARES Act funding, and if so, how much?

ANSWER: BCHA has received \$172k from the Housing Choice Voucher (HCV) and Mainstream Programs in the CARES Act to assist with administering the HCV program in preventing, preparing for and responding to the coronavirus.

15. Question: What is the reason for the RFP? Is the current audit firm allowed to bid and how long have they been conducting the audit of BCHA and associated component units? If a different firm does the annual tax work for each of the LIHTC entities, how long have they been conducting that work?

ANSWER: Audit services must go through the formal RFP process every five years for or a new one-year contract with potential for renewal for up to four additional years. In completing the 2020 audit, the current auditor contract is in its 5th year with renewals to the current contract. The current audit firm may present a proposal. The current firm does both the audit and tax work.

16. Question: Are there improvements that you would like to see made in the overall audit process, timing, communication, other areas?

ANSWER: There is nothing that materially stands out as needing to be done differently with regard to the structure of the audit and tax work. Obviously, timing needs to improve, with the caveat that this year's delays are in large part due to circumstances out of everyone's control.

17. Question: What were the fees charged for the 2020 and 2019 services listed in the RFP? Were there any additional audit or tax fees billed last year pertaining to services provided outside the scope of the services listed in the RFP? If so, can you provide a list of services and additional fees pertaining to those services?

ANSWER: Vendor pricing, such as audit fees, is confidential information, and not subject to disclosure.

18. Question: Are there any known significant transactions or activities planned for the future periods that should be considered in our proposed fee structure?

ANSWER: See answers to questions #2 and #13 above.

19. Question: Are audit request items available electronically? Including access to general ledger detail, supporting schedules, supporting invoices/contracts/etc.? Have processes and controls changed with the COVID-19 impact or how might the auditing process be different for the 2021 audit?

ANSWER: Audit requests are fulfilled electronically. We provide general ledger detail. However, we do not provide access to the accounting software. We honor all requests for data, supporting schedules, invoices, contracts etc. Processes and

controls have remained intact throughout COVID. We anticipate the auditing process for 2021 will be much like the audit for 2020 in terms of more or even 100% work being done remotely depending on what conditions with the ongoing pandemic may require. See also the answer to question #12 above.

20. Question: Can you provide information if BCHA staff prepare the annual financial statements or if the external auditors assist with preparing these? Do the external auditors assist in preparing the LIHTC annual financial statements?

ANSWER: BCHA either prepares or hires temporary professional assistance to prepare the annual financial statements.

21. Question: Why is Boulder County Housing Authority going out to bid? Do you plan to make a change?

ANSWER: Please refer to the answer to question #15 above.

22. Question: Is your prior auditor also proposing?

ANSWER: Unknown.

23. Question: Can you share your prior audit fees?

ANSWER: Vendor pricing, such as audit fees, is confidential information, and not subject to disclosure.

24. Question: Do you prepare your own financial statements?

ANSWER: Please refer to the answer to question #20 above.

25. Question: Were there any significant deficiencies in your AU-265 letter?

ANSWER: No. Please see the audit reports posted to the following Website: (copy and paste to your browser)

<https://www.bouldercounty.org/departments/housing-and-human-services/transparency/#1488475496134-cd4822d6-9ec2>

26. Question: Will you share your AU-260 letter?

ANSWER: Yes. As in the answer to question #25 above, please see the audit reports posted to the following Website: (copy and paste to your browser)

<https://www.bouldercounty.org/departments/housing-and-human-services/transparency/#1488475496134-cd4822d6-9ec2>

27. Question: Do you expect the audit to be performed remotely, on-site, or a hybrid?

ANSWER: Please refer to the answers to questions #12 and #19 above.

28. Question: What is the most important thing about your relationship with your audit firm? What are you looking for in a relationship with your auditor?

ANSWER: We desire a complimentary rather than an adversarial relationship with our audit firm. We believe that the independent audit process provides essential opportunities focused on continuous quality improvement to strengthen our internal controls and ensure accuracy in financial reporting to the benefit of the communities we serve. Communication that is clear, consistent and readily responsive is essential to a successful engagement.

29. Question: RAD conversions: what is your plan for converting units?

ANSWER: Please refer to the answer to question #9 above.

30. Question: Number of internal financial personnel and any significant changes over the last couple of years?

ANSWER: BCHA currently has 11 staff, including 3 executive positions focused on the finances of the organization. We have a new Finance Division Director. We have added a Housing Authority Finance Manager role. We are in the process of hiring for this position.

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 September 10, 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 # 7260-21 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**

September 2, 2021

Dear Vendor:

This is an acknowledgment of receipt of Addendum #1 for RFP #7260-21, Boulder County Housing Authority Audit and Tax 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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