

City of Milford, DE
ADDENDUM #4
RFP for Audit Services Released February 3, 2020
February 25, 2021

Additional responses to the following questions received from interested firms are being provided to supplement the original Request for Proposals.

1. **Question 1:** “It appears that the current audit group has done your audit for 2019 and I assume 2020 (I did not see the 2020 audit on-line), so only 2 years. Is there a reason for going out to bid after only 2 years?”

Response: The City is soliciting proposals because the incumbent firm (or, to clarify, the incumbent lead audit team) has been serving in the role since 2011, and we believe that the rotation of independent audit on a periodic basis adds integrity and transparency to the financial statement preparation and audit processes. We did not view the transition from BV & Co to Gold Gerstein Group as a change in auditors; the lead auditors at BV & Co transitioned to Gold Gerstein Group and the City followed the team; no RFP process was undertaken at the time.

2. **Question 2:** “The financial statements look very similar over the years, even after change in audit firms (BV & Co. in 2018 to Gold Gerstein Group LLC in 2019). Do you prepare the financial statements?”

Response: Beginning with FY20 the City prepares the financial statements and the footnotes. See response to Question 1 for additional clarification.

3. **Question 3:** “The RFP indicates that a presentation to Mayor and Council be no later than 4 months after year end (November 1st) however audit reports for the last several years appears to be dated in December and January. Was there a reason for the delay?”

Response: There was no delay in last several years with respect to statutory or contractual obligations. The independent audit requirements in the City Charter require that the Mayor & Council “must review and accept each annual audit” and is silent on any time requirement. The Continuing Disclosure Agreement made in connection with the City’s 2016 General Obligations Bonds requires that the independent audit and required supplementary information be published no later than 270 days following the end of the fiscal year. However, we recognize the value in timely financial reporting, so the shortened time reflects a new Finance Department initiative.

4. **Question 4:** “What was the audit fee for 2020?”

Response: *FY20 \$49,500, plus \$8,000 for Single Audit.*

5. **Question 5:** “Can I get a copy of the audit communications and single audit?”

Response: *The FY’20 audit communications and single audit will not be published until March 8, after the proposals are due. However, the production of the financial statements and the audit process are both substantially complete, and all draft documents indicate a successful financial statement audit, a successful single audit and compliance with all federal regulations, and no internal control findings.*

****PLEASE SEE REQUIRED ACKNOWLEDGEMENT ON THE FOLLOWING PAGE****

6. Any bid received after stated closing time will be returned unopened. If bids are sent by mail to the purchasing manager, the bidder shall be responsible for actual delivery of the bid to the purchasing manager before the advertised date and hour for opening of bids. If mail is delayed either in the postal service or in the internal mail system of the City beyond the date and hour set for the bid opening, bids thus delayed will not be considered and will be returned unopened.

*****THIS ADDENDUM MUST BE RETURNED WITH THE ORIGINAL BID *****

PLEASE COMPLETE THE INFORMATION BELOW:

SIGNATURE **DATE**

PRINTED NAME **TITLE**

COMPANY

MAILING ADDRESS

PHONE NUMBER **FAX NUMBER** **E-MAIL ADDRESS**