

Homeless Housing and Assistance Corporation
Audit Services
2013 REQUEST FOR PROPOSALS
QUESTIONS AND ANSWERS

Question 1: What were hours and fees for the past year?

Response: While we do not believe that this question clarifies any aspect of the Request for Proposals (RFP), it is public information available under the Freedom of Information Law (FOIL). Therefore, it is provided here in order to avoid multiple FOIL requests. The auditor's fee for the 2012-2013 HHAC audit was \$8,800. This cost was not hourly based. It is important to note, however, that this fee was proposed in response to a previous RFP, and again is not necessarily entirely pertinent to the current RFP, nor should the previous fee be considered a benchmark in responding to the current RFP.

Question 2: What information systems does HHAC use? Are transactions processed on the Statewide Financial System?

Response: HHHAC uses QuickBooks as their information system. Transactions are not processed on the Statewide Financial System.

Question 3: Does HHAC personnel prepare the financial statements or will you seek assistance from your auditors?

Response: HHAC staff provide the materials needed for the auditor to prepare the financial statements.

Question 4: Has a sample contract been posted on the site?

Response: A sample contract was posted on the website on November 15, 2013.

Question 5: Who keeps the accounting records and where are they located?

Response: HHAC/HHAP staff maintain the accounting records and they are located at 40 North Pearl Street Albany, NY 12243

Question 6: When are the accounting records available for audit? What is the typical time frame (after your year end closes) that your accounting staff will be ready for audit field work?

Response: The accounting records are available shortly after the end of the fiscal year. Therefore, field work may be scheduled as early as mid-April.

Question 7: What workpapers, such as account reconciliations are prepared for the auditors?

Response: A year-end detailed summary of the notes receivable portfolio is prepared and provided.

Question 8: It appears the financial statements have generally been issued in early-mid June, is this the anticipated issuance timing going forward?

Response: The Audit Services RFP states: "All of the above deliverables will be presented in final form to the Corporation by June 15th of each contract year. As it is incumbent upon the Corporation by State Law

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to have completed and submitted audited financial statements to various oversight entities by June 30th annually, it is imperative that the Contractor adhere to these deadlines in the completion of the audit.”

Question 9: How does HHAC account for interim real property owned, for example there appeared to be 7 properties owned by HHAC at March 2013?

Response: Currently, there are no accounting records associated with the real property.

Question 10: Are there any anticipated organizational changes, events or circumstances that may have significant audit implications over the next five years.

Response: We do not anticipate any organizational changes, events or circumstances that may have significant audit implications over the next five years.

Question 11: Are there typically audit adjustments made as a result of the audit process, if so, how many and can we review them?

Response: There were no significant audit adjustments in the most recently completed fiscal year.

Question 12: Are there typically additional billings associated with the audit, and if so, what for and how much?

Response: The fee proposal submitted is for the completion of the scope of work presented in the RFP. There are no additional billings associated with the audit.

Question 13: How long have your current auditors been in place?

Response: The current auditors have been in place five years.

Question 14: Does the Corporation receive any federal funding or does it anticipate receiving any significant federal funding during the contract period that would require a single audit?

Response: The Corporation does not receive federal funding and does anticipate receiving federal funding.

Question 15: The RFP notes that the lead auditor rotation will be required after each four years. When was the last change in the lead auditor?

Response: The previous auditor complied with the applicable section of the Public Authorities Law relative to rotation of reviewing audit staff.

Question 16: We obtained the 2012 Audit Reports on your website, however the 2013 were not available. Please provide the most recent audit report and the latest available management letter from the auditors.

Response: The State Fiscal Year 2012-2013 Audit report is available on our website and the management letter is attached to the report. We are currently in State Fiscal Year 2013-2014, ending March 31, 2014.

Question 17: Exhibit C questions 1a-1c of the RFP our firm is a partnership, should we check yes to 1a?

Response: The Contractor/ Subcontractor Background Questionnaire (Exhibit C), question 1a asks “If you, the bidder, are a natural person, are you a New York State resident?” Therefore, as a partnership entity, it is not possible to be a natural person or syllogistically, a New York State resident.

Question 18: Will the audit take place on-site at North Pearl Street or at another/other location?

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Response: The audit will take place at 40 North Pearl Street Albany, NY.

Question 19: What is the anticipated time frame for the audited field work to take place. What has typically been the timing of the audit field work?

Response: We do not have an anticipated time frame for the audited field work, it is imperative that the deliverables will be presented in final form to the Corporation by June 15th of each contract year.

Question 20: Do you have a budget amount for the audit fee?

Response: HHAC has not developed a budget amount for the audit fee.

Question 21: What are the fiscal functions that have been outsourced to external service providers?

Response: New York State Division of Tax and Finance, as the Fiscal Agent, performs all check writing, wire transfers and day to day bank account monitoring. No Service Auditor Reports are available or applicable to this function.

Question 22: Who do you contract with for payroll services? Or is this done in-house?

Response: HHAC has no direct employees. The Corporation is staffed by employees of the NYS Office of Temporary and Disability Assistance (OTDA). Payroll is, therefore, not applicable to HHAC or the services requested under the RFP.

Question 23: How many CPA firms have been requested to submit a proposal?

Response: The RFP was published on the OTDA website and the Contract Reporter. Letters were also sent to approximately 50 vendors to ensure an adequate number of proposals are received.

Question 24: Can I collaborate with another firm that is not a MWBE to do this?

Response: Yes, you may collaborate with another firm.

Question 25: Do I or the other firm need to be a peer reviewed firm?

Response: Peer reviews are analysis of an accounting firm's work papers and financial statements to ensure compliance with the American Institute of CPAs' General Accounting and Auditing Procedures. Therefore we would like to see that a firm is a peer review firm

Question 26: In the past have you hired any auditors for any special projects outside the regular audit?

Response: The auditor services in the past have been solely related to the HHAC annual audit review.

Question 27: Were there any disagreements with the prior auditors? Have there been any issues with your current auditors and are they being included in the RFP process?

Response: No difficulties or disagreements occurred with the prior auditors.). The answer to your second question is that the incumbent auditor is not precluded from bidding. The Public Authorities Accountability Act (PAAA) indicates that a firm is prohibited from performing audit services "if the lead (or coordinating) audit partner (having primary responsibility for the audit), or the audit partner responsible for reviewing the audit, has performed audit services for that issuer in each of the five previous fiscal years.". Therefore, both the individual(s) performing and those reviewing the audit must not remain consistent for a period greater than five years.

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At this time we are answering questions relative to clarifying aspects of the RFP. The following questions are not germane to submitting a competitive response to the Request for Proposals (RFP).

1. Please describe the source of “Returned Grant Funds” revenues and why there was such a significant increase during the year ending March 2013?
2. The 2013/2014/2015 budget shows MRT revenues totaling \$14 million each year. Actual MRT revenues reported in 2013 was \$288k. Please explain the variance. Are MRT revenues for 2014/2015 expected to be more in line in with budgeted amounts.
3. How many staff people were present during fieldwork from the current auditor?
4. How many employees work in the business office?