

Annual Audit Services RFP 07-2021  
Port of Palm Beach  
1 E. 11<sup>th</sup> Street, Suite 600  
Riviera Beach, FL 33404

**ADDENDUM NO. 4**

DATE: July 13, 2021

PREPARED BY: Port of Palm Beach District  
One East 11<sup>th</sup> Street, Suite 600  
Riviera Beach, Florida 33404

GENERAL:

- A. This Addendum modifies, changes from or adds to the Request for Proposals dated June 25, 2021 and shall become a part of the Proposal Documents.
- B. Proposers shall acknowledge receipt of this Addendum with their submittal. Failure to do so may be cause for disqualification of Proposer.

**ADDENDUM ITEM No. 1: RFP Document, p. 17, Dollar Cost Bid Proposal - heading**

**From:** SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR AUDIT OF THE DISTRICT OF GULF STREAM'S FINANCIAL STATEMENTS: SUPPORTING SCHEDULE FOR PROFESSIONAL AUDIT SERVICES

**To:** SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR AUDIT OF THE **PORT OF PALM BEACH DISTRICT'S** FINANCIAL STATEMENTS: SUPPORTING SCHEDULE FOR PROFESSIONAL AUDIT SERVICES

**QUESTIONS:** Via email 7/7/2021 3:45 PM

**Question 1.** What are the biggest concerns for the District? How might you look to your audit firm to help you address those concerns?

**Answer:** A complete review of Internal Controls to identify both redundancy and shortcomings.

**Question 2.** Were the 2019 or 2020 Fiscal Year Audits performed remotely or on-site? Will the District consider the option to performing the audit remotely? If so, what challenges does the District foresee with a remote audit?

**Answer:** Both FY 19 and 20 were primarily performed remotely, with approximately 10% on-site. The District would consider the option to perform an audit remotely and does not foresee a significant challenge.

**Question 3.** Will the District consider Firms that do not have a local presence? If not, will District consider Firms that contract with Disadvantaged Business Enterprise or Minority/Women owned with a local presence?

**Answer:** Local presence is preferred but not mandatory however timely access to staff is essential.

**Question 4.** Has the District begun the process of evaluating the impact of GASB 87 Leases? Does the District plan to use a consultant to assist with GASB 87 implementation? What assistance does the District expect from their auditors regarding implementation of GASB 87?

**Answer:** We have not begun the process of evaluating GASB 87 and would like to use a consultant or the auditors to assist with implementation.

**Question 5.** Will the District consider any modifications to the terms and conditions included in the RFP, as applicable, that would be typical for the type of services contemplated? If yes, should such requests for modification be provided in the proposal response or will they, as applicable, be addressed in the contract negotiation process?

**Answer:** Any requested modifications to terms and conditions must be identified in RFP response.

**Question 6.** RFP Section 2-4, G. Compensation requires the respondent to include the Dollar Cost Bid Proposal form with the respondent's proposal. Should the Dollar Cost Bid Proposal be included with the Technical Proposal or should it be submitted separately from the Technical Proposal?

**Answer:** Either way is acceptable as both technical qualification and cost are a selection criteria.

**Question 7.** RFP Section 2-6, C. establishes a voluntary 12% goal for a Minority/Women Business Enterprise participation in the professional audit services to be provided. What Certifying Authority does the District accept for certification of Minority/Women Business Enterprise to meet the 12% voluntary participation goal (e.g. Florida Unified Certification Program, Florida Department of Transportation, Palm Beach County Office of Equal Business Opportunity, etc.)?

**Answer:** Validation Documentation of Minority/Women Business Enterprise Participation should be provided with RFP and will be reviewed by Selection Committee.

**QUESTIONS:** Via email 7/12/2021, 5:13 PM

**Question 1.** Are there any Federal Awards received in the fiscal year ended 9/30/2021?

**Answer:** A \$13.2 million award will be signed in September 2021, significant expenditures will take place in FY 2022.

**Question 2.** What is the number of hours that the auditors have expended in the past?

**Answer:** Posted on Port's website.

**Question 3.** What type of General Ledger software system does the District maintain?

**Answer:** Please refer to section 1-2 in the RFP No. 07-2021 Annual Audit Services on the Port's website.

**Question 4.** Have the prior auditors issued a management report with recommendations? If so, may we have a copy?

**Answer:** No

**Question 5.** In Paragraph G of the RFP, Compensation is part of the proposal, as well as the Dollar Cost Bid and Bid Certification form. However, there is a sealed cost proposal required in Paragraph H. Should all information on fees and pricing be in the sealed cost proposal and not the technical proposal?

**Answer:** Either way is acceptable.

**Question 6.** Is a NJ licensed CPA partner acceptable as an engagement partner?

**Answer:** Yes, as long as the firm is a legal and licensed entity in the State of Florida and has performed continuous certified public accounting services in the local governmental entity sector for a minimum of five (5) years.

**QUESTIONS:**

**Question 1:** What are the total Assets for the last year?

**Answer:** \$157,821,253, see Port's website for CAFR's.

**Question 2:** What are the total Revenue?

**Answer:** \$16,098,091, see Port's website for CAFR's.

**Question 3:** What was the actual amount paid for last year's audit?

**Answer:** \$64,800

**Question 4:** What is the budgeted amount for this year's audit?

**Answer:** FY 22 budget not completed or approved.

**Question 5:** Who are your current auditors?

**Answer:** Nowlen, Holt & Miner, P.A.

**Question 6:** Is there a policy of mandatory rotation?

**Answer:** Yes

**Question 7:** Is there a local preference for Auditors?

**Answer:** Staff availability to complete assignment and to be on site within a relatively short timeframe if needed is paramount.

**Question 8:** How long have you been working with the current Auditors?

**Answer:** Since FY 2006.

**Question: 9** What is the audit time frame?

**Answer:** Please refer to RFP No. 07-2021 Annual Audit Services, Section 2-3 Audit Report Deadline and Distribution.

**Question 10:** What is the selection criterion for submitted responses?

**Answer:** Please refer to published RFP

**Question 11:** Please advise on the estimated Board meeting for the Audit firm to present the Audit Report

**Answer:** April 2022.

**Question 12:** Does the District finance staff prepare ALL sections of the Audit Report, excluding the auditors Opinion Reports?

**Answer:** No, the staff prepares the introductory, MD&A, other supplementary, statistical and some notes such as cash/investments, property & equipment, long-term liabilities, & commitments.

**Question 13:** From a financial standpoint, what are your top three (3) priorities?

**Answer:** Evaluation of Internal Controls, Readability of Notes to Financial statements and consistency

**Question 14:** What are the qualities in an auditing firm that you deem most important?

**Answer:** Professionalism and timeliness of meeting requirement deadlines

**Question 15:** Why are you going out for bids for auditing services?

**Answer:** Mandatory rotation of auditors

**Question 16:** Has anything significant occurred in the current year, which is different from prior years?

**Answer:** Yes, due to COVID-19 pandemic, previous two audits have been primarily conducted remotely.

**Question 17:** What has been exhibited by the current auditors that you value the most?

**Answer:** Professionalism of interaction with staff and understanding of our business processes

**Question 18:** Please provide a copy of your most recent financials (balance sheet, income statement, budget vs. actual, any other relevant financial reports typically provided to your manager.

**Answer:** Provided on the Port's website.

**Question 19:** Who is on the selection committee?

**Answer:** Wayne Richards, current board member and chairman of the audit selection committee, Peyton McArthur, former board member and employee, David Talley

**Question 20:** Who will rank the firms; staff or the selection committee? Finance/Audit committee

**Answer:** Audit Selection Committee

**Question 21:** Please provide us with any questions provided to you from other interested auditing firms, along with your response.

**Answer:** An addendum is on the Port's website.

**ACKNOWLEDGE RECEIPT.**

Bidder acknowledges the receipt of Addendum numbers:

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_ 5. \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

NAME OF THE PROPOSER: \_\_\_\_\_

ADDRESS OF THE PROPOSER: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

END OF ADDENDUM NO. 4