

Addendum No. 1
March 7, 2013

Independent Audit Services Request For Proposal (RFP) A-13

Chabot-Las Positas Community College District
7600 Dublin Blvd., 3rd Floor
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The following revisions and/or clarifications shall be made part of the Request for Proposal and be submitted with your proposal. This addendum must be submitted with Proposal. Failure to do so may void your Proposal.

Bid Question No. 1: Please provide copies of the June 30, 2010, 2011, and 2012 audit reports and bond financial and performance reports.

Answer: The reports can be found at:

For 2012:

<http://www.clpccd.org/business/audit2011-12.php>

For 2011:

<http://www.clpccd.org/business/2010-11Audit.php>

For 2010:

<http://www.clpccd.org/business/2009-10Audit.php>

Bid Question No. 2: What is the reason that the District is considering changing the Auditor?

Answer: It is at the end of the contract period.

Bid Question No. 3: Were the prior auditor invited to bid or is the District required to rotate Auditors this year?

Answer: Yes, the prior auditor was invited to bid.

Bid Question No. 4: How long was your prior audit firm your auditors?

Answer: The contract period was three (3) years and the District exercised the one (1) year extension for a total period of four (4) years.

Bid Question No. 5: How many firms received the RFP?

Answer: 14

Bid Question No. 6: How many audit adjustments were made in the previous audit?

Answer: One (1) entry that the District passed on.

Bid Question No. 7: Were any client-prepared entries given to the auditors after the year-end fieldwork had started? If so, how many?

Answer: There were no client-prepared entries given to the auditors after the year-end fieldwork had started.

Bid Question No. 8: How many federal programs were audited as of 6/30/12? Are the projected Federal expenditures for the year ending 6/30/13 going to be similar in volume to that of the prior year?

Answer: There were four (4) federal programs that were audited as of 6/30/12. The District anticipates that the projected Federal expenditures for the year ending 6/30/13 will be similar in volume.

Bid Question No. 9: What were the itemized fees by service, for the 6/30/12 audit? Was last year's scope the same as stated in the RFP? Was there any additional billing above what the original proposed fees/contract was and if so, what was this additional billing for?

Answer: a) The itemized fees by services can be found under our Board of Trustees archive site at: <http://www.clpccd.org/board/BoardAgendaArchives.php#y2012> - May 15, 2012, Agenda Item 5.3; and the original RFP award at: <http://www.clpccd.org/board/BoardAgendaArchives.php#y2009> - March 17, 2009, Agenda Item 5.4.

b) Yes, the last year's scope is the same as stated in the RFP.

c) Yes, there were some additional billings for difficulties encountered in getting (TBA) information from Chabot College campus.

Bid Question No. 10: Does the District staff prepare the financial statements, including footnotes, and provide them to the Auditor at the outset of the audit?

Answer: Yes.

Bid Question No. 11: Did the prior auditor perform any additional services beyond the scope of the RFP?

Answer: No.

Bid Question No. 12: How many auditors were on the engagement; how many weeks were spent in the field last year (for interim and for year-end fieldwork)?

Answer: a) There were one (1) partner; one (1) manager; and three (3) staff on the engagement. b) To our knowledge, three (3) days at interim and two weeks at year-end fieldwork.

Bid Question No. 13: Anything new in the current year (i.e., new funding, debt issues, or construction projects)?

Answer: General obligation bond refunding of Series B and Series C.

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Bid Question No. 14: Is your accounting staff stable? What accounting system is used?

Answer: a) Yes, our accounting staff is stable. b) The District's accounting system is Banner owned by Ellucian

Bid Question No. 15: Have there been any changes in management in the past year?

Answer: No, not in Business Services.

Bid Question No. 16: Has there been any change in organizational structure in the past year?

Answer: No, not in Business Services.

Bid Question No. 17: Has there been any change in your accounting system or software since last year?

Answer: No.

Bid Question No. 18: Was there any difficulties encountered in completing the previous year audit?

Answer: As stated in Bid Question No. 9, difficulties encountered in getting information requested. In addition, there was a delay in providing a legal opinion.

Bid Question No. 19: Were there any problems in completing the close of the books and preparing for the audit?

Answer: No.

Bid Question No. 20: Who are the key employees assigned to work with the auditors? What is their tenure with the District?

Answer: Director of Business Services, 3 years; and Accounting Supervisor, 7 years.

Bid Question No. 21: Were there any issues in the previous audit (i.e., any significant deficiencies or material weaknesses or compliance findings noted by the Auditor)?

Answer: a)financial statements: none; b)federal awards: material weakness, no significant deficiency; c)state awards: no material weakness, significant deficiency identified.

Bid Question No. 22: What is the expected timing of the audit? We normally perform our audits in the following phases, when have these phases been completed in prior years? a) Planning/Interim Fieldwork (internal control/state and federal compliance testing); b) Year-End Fieldwork; c) Drafts of Auditor Reports to Management; d) Audit Committee and/or Board Presentations

Answer: a) Interim is normally scheduled in May; b) Year-End is normally scheduled in September; c) Drafts of Auditor Reports is normally scheduled in November; d) Audit Committee and/or Board Presentations are normally scheduled for December

Bid Question No. 23: Are there any District Foundations?

Answer: Yes, but they are not reported as component units in the financial statements.

Bid Question No. 24: Does the District have a preference on when the auditors are onsite for interim and year-end fieldwork? Typically when are the financial statements ready for audit?

Answer: a) Refer to Bid Question No. 22. b) Typically the financial statements are ready for audit in September.

Bid Question No. 25: Is the prior auditor allowed to bid on the current RFP?

Answer: Refer to Bid Question No. 3.

Bid Question No. 26: In prior audits, how many auditors were on site for interim and year-end? How many weeks were they at the District?

Answer: Refer to Bid Question No. 12.

Bid Question No. 27: Does the auditor or the District complete the GASB 35 conversion entries?

Answer: The District completes the GASB 35 conversion entries.

Bid Question No. 28: What is the reason the College is going through the RFP process?

Answer: Refer to Bid Question No. 2.

Bid Question No. 29: Is the prior auditor invited to bid or is the College required to rotate auditors this year?

Answer: Refer to Bid Question No. 3.

Bid Question No. 30: What are the things you like and/or dislike about your prior year auditor?

Answer: The District liked the competence and responsiveness about the prior year auditor.

Bid Question No. 31: What were the prior year audit fees for the College and the Proposition 39 Bond work?

Answer: Refer to Bid Question No. 9.

Bid Question No. 32: Were there any additional audit 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: Refer to Bid Question No. 11.

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Bid Question No. 33: How many auditors were on the engagement; what was the make up of the team, and how many weeks were spent in the field last year (for interim and final fieldwork)?

Answer: Refer to Bid Question No. 12.

Bid Question No. 34: Were there any findings reported in the prior year report or were there any prior year management comments?

Answer: Yes.

Bid Question No. 35: Were there any significant adjustments made as a result of the 2012 audit? Were there any passed adjustments?

Answer: Refer to Bid Question No. 6.

Bid Question No. 36: Were there any client prepared adjustments given to the auditors after the year-end fieldwork started? If so, how many?

Answer: Refer to Bid Question No. 7.

Bid Question No. 37: Are the projected Federal expenditures for the year ending 6/30/13 going to be similar to 6/30/12?

Answer: Refer to Bid Question No. 8.

Bid Question No. 38: Who is responsible for preparing the financial statements for the College? If prepared by the College and Foundation, does it include preparation of the footnotes?

Answer: Refer to Bid Question No. 10.

Bid Question No. 39: Were there any difficulties encountered in completing the 2012 audit? Were there any disagreements over any technical issues with the predecessor auditor?

Answer: a) Refer to Bid Question No. 9. b) There were no disagreements with the predecessor auditor.

Bid Question No. 40: Has there been any turnover in key management or staff positions or is any such turnover anticipated for the June 30, 2013 year end?

Answer: Refer to Bid Questions 14, 15, 16 and 20.

Bid Question No. 41: Any new significant matters, new debt issues, legal matters, etc in the current year?

Answer: Refer to Bid Questions 13.

Bid Question No. 42: What are the biggest challenges you are facing?

Answer: There are no challenges/issues related to the audit process.

Bid Question No. 43: Approximately how many hours did the auditors spend on site at both the District offices and sites when performing the June 2012 audits (number of days and number of people is fine too)?

Answer: Refer to Bid Question #12.

Bid Question No. 44: Does the District anticipate any changes in the levels of bond construction activity? Is there any new bond series or bond issuances that occurred after 7/1/12 or being considered in the next few months?

Answer: a) Bond construction is winding down. Refer to Bid Question #13. b) There are no new issuances being considered at this time.

Bid Question No. 45: Are there any new large federal grants that were received after 6/30/12 or are any anticipated in the next few months?

Answer: No.

All other terms and conditions of RFP A-13 to remain the same.

Questions #01 - #23 submitted by Gilbert Associates, Inc.
Questions #24 - #27 submitted by Crowe Horwath LLP
Questions #28 - #42 submitted by Clifton Larson Allen LLP
Questions #43 - #45 submitted by Vavrinek, Trine, Day & Co, LLP

End of Addendum #1