

RFP – Forensic Auditing Services RFP# 23-12182023

Addendum 1: 1/9/2024

1. Is there a specific incident that is prompting the need for this project?

Concerns over the FY24 Budget and FY22 Audit School Division findings prompted the Board to issue the Forensic Audit RFP. The Board felt it best to examine all departments of the County.

2. Given the expansive scope of work and time period to be reviewed, how much has been appropriated and/or approved for this project?

The Board has not appropriated any funds for this project.

3. For the Type/Funds/Period defined in the Scope of Work do you have an estimated number of total payment transactions this will involve?

We are estimating that there are approximately 260,078 transactions which includes vendor payments and payroll transactions

4. Regarding Section IV. Scope of Work, item E. “During the course of the initial investigation, the scope of work may be further expanded or altered at the recommendation and approval by the Board of Supervisors and the County Administrator, with written changes approved in writing by the County Administrator. It is possible that the initial forensic audit may uncover new facts, unknown data or relevant queries that could change the scope of the audit.

- a. As it is understandable that changes in scope may occur based on the type of services being requested, however, changes of scope and expansions of scope may require potential fees quoted to be adjusted. Will such assessment of changes to efforts required and resulting modifications be allowed?

Yes, with Board of Supervisors approval.

5. Regarding Section IV. 2. Audit, part A. – “the forensic audit shall include a comprehensive review of all types of financial activities including but not limited to: (3.) All types of procedures”. Would you please clarify which procedures are in scope?

The Board is interested in any financial policy in place for all areas which includes but may not be limited to reconciliation, payment process, receipting process, and approval of payments issued.

6. Can you please explain whether all payments are handled centrally through the Treasurer's office and that only the only processes that are overseen by the Treasurer's office related to the other departments/divisions related to these payments mentioned in Section IV B. 3 are within scope. If not, please identify all relevant processes that will be reviewed for the other departments/divisions. *(in the list of areas identified in Section I "Purpose" and item B under "Audit", the credit and gas cards for the County, Constitutional Officer, Social Services, and School Division are listed.)*

No, they are not all processed through the Treasurer's Office, they are reconciled through the Treasurer's Office. All checks are stamped by the Treasurer's Office before mailing. The Sheriff's Office has their own policy and procedures for their checking account.

7. Regarding Section IV, 2. Audit, part F, this audit shall review any contracts the County has with firms for the collection of delinquent taxes and/or third-party collectors and ensure the County has received appropriate funds in accordance with the agreement(s)
- a. Are you able to estimate or provide the actual number of in-scope contracts?

We only use one third-party delinquent tax collector: Taxing Authority Consulting Services (TACS)

8. Will the proposed audit be engaged via the Town's Counsel, which would allow for the work product and deliverable to be privileged and confidential?

This audit will be engaged with the Northumberland County Board of Supervisors and will be privileged and confidential to the extent permitted by law.

9. What accounting systems did the Town utilize to manage the funds during the period under review?

The County utilized RDA, proprietary software, Quickbooks, and manual ledger.

10. Are supporting documents available electronically or maintained on-site?

Supporting documentation would be maintained on-site.

11. Has the County established a budget for the forensic audit? If so, what is the budget amount?

No budgeted amount has been established by the Board.

12. Section IV. A of the RFP states that "the Contractor must be licensed to practice in Virginia as a Certified Public Accountant firm." If a firm is licensed in numerous other states except Virginia and it is not required to be licensed in Virginia to perform these

services, will the County accept a proposal from these firms?

No, the Board requested that the auditing firm must be licensed in Virginia.

13. Section VI. A indicates that the SCC registration sheet should be included. Based on question #12, if you still require our firm to be registered in the state of VA, must this be completed to submit a proposal, or can it be delayed and only necessary if we are awarded the contract?

The SCC Registration should be included at the time of the RFP submittal.

14. Section VI. F says that our references must be "local" governments. Does "local" imply Virginia agencies, or can these be any government agencies from anywhere in the country?

The Board would prefer Virginia localities, however, if a proposal is submitted with local governments outside of Virginia, the Board would review such information.

15. Page 2 states, "One bound original document is to be delivered by the deadline to the location indicated below along with one pdf/word edition on a memory stick." On page 15, it says "One (1) original, marked "Original," three (3) copies, and one (1) copy on a thumb drive" must be submitted. Would you please clarify which is correct?

We would only need one (1) bound hardcopy marked original and a digital copy on a thumb drive.