



ADDENDUM NUMBER ONE

October 6, 2021

RFP #21-905-36; INDEPENDENT AUDIT SERVICES

THIS ADDENDUM IS BEING ISSUED TO INCORPORATE THE FOLLOWING IN THE REFERENCED REQUEST FOR PROPOSALS (RFP)

ITEM #1 WRITTEN QUESTIONS RECEIVED

Q1: Have there been any changes that would impact the audit in the operations of the Authority (personnel, organization structure, IT systems, etc.)?

A1: There have been no changes made that would impact the audit.

Q2: Have there been any changes in programs, component units (blended or discretely presented), funding sources, etc. that would impact the audit as compared to prior years?

A2: There have been no changes made that would impact the audit as compared to prior years.

Q3: Is there anything the Authority would like to see done differently as part of the audit process (timing, communication, PBC instructions, etc.)?

A3: The scope of services identifies what is required and what is expected by Housing of Authority of New Orleans.

Q4: Has the Authority assessed the impact of GASB 87, Leases, and where does it stand in the implementation process?

A4: GASB 87 is effective for fiscal year 2022 and we are in the early stages of implementation.

Q5: How has the COVID-19 Pandemic impacted the audit process for HANO and is it expected that these changes will carryforward to the coming year's audit (remote work, access to records, etc.)?

A5: COVID-19 Pandemic introduced additional reporting requirements and remote working environment. These changes are expected to carryforward to the coming year's audit.

Q6: What were the prior year's audit fees and is the scope of work comparable under this RFP?

A6: Prior year's audit fees were \$215,000 and the scope is comparable.

Q7: If prior year fees are not provided, how many audit staff were in the field and how long were they there?

A7: Prior year fees were provided above.

Q8: Have there been any conditional acceptance comments from REAC and what are the nature of such comments?

A8: One conditional acceptance comment from REAC related to Housing Choice Voucher Program.

Q9: Who prepares the financial statements, HANO or the auditors?

A9: The auditors prepare the financial statements.

Q10: Any major or significant transactions occur this year that would impact the audit?

A10: There are no major or significant transactions occurred this year that would impact the audit.

Q11: Any major RAD conversions, public housing disposals or rehabs, purchases of properties, etc? Any major deals regarding properties occur during the fiscal year?

A11: No.

Q12: Do the component units listed in the RFP require separately audited financial statements or are procedures included with the main Authority audit?

**Lune d'Or Enterprises, LLC (501 c3)
Crescent Affordable Housing Corporation (501c3)
Guste I, LLC
Guste III Homes, LLC
Fischer I, LLC
Fischer III, LLC**

A12: The component units require separately audited financial statements.

Q13: Any new funding received during the year besides the regular COVID-19 CARES Act funding (ERA, HAF, etc.?) or significant increases in expenses for any program?

A13: No.

Q14: How many adjusting journal entries were recorded by the auditors in the prior year?

A14: 20.

Q15: What were prior year audit fees and how were they allocated across the components and programs?

A15: Prior year's audit fees were \$215,000 and they were allocated based upon the unit count of the programs. The audit fees for the component units were billed separately and recorded as such.

Q16: How do you foresee the FY21 audit being performed? Onsite, remote, hybrid?

A16: Hybrid

Q17: What is the % of fee required to be allocated to Section 3/ DBE / WBE Businesses?

A17: This solicitation does not require a percentage of fees to be paid to Section 3/DBE/WBE businesses; however, additional points will be granted to Section 3/DBE/WBE-certified firms who provide evidence of their status. See Appendix B in the RFP document for the list of acceptable evidence of certification.

Q18: What is the preferred timeframe of audit fieldwork?

A18: Audit fieldwork should start in October and be completed in time to meet the Louisiana State Legislative Auditor deadline of March 31, 2022.

Proposals must be received by the Housing Authority of New Orleans (HANO) in the Department of Procurement and Contracts by 2:00 p.m. CST on Tuesday, October 12, 2021. All terms and conditions shall remain as stated in the original Request for Proposals. All addenda must be acknowledged.

END OF ADDENDUM NUMBER ONE