



Housing Authority of the City of Pittsburgh

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February 7, 2018
Financial Auditing Services
RFP #150-03-18
ADDENDUM NO.3

This addendum issued February 7, 2018 becomes in its entirety a part of the Request for Proposals RFP #150-03-18 as is fully set forth herein:

Item 1: Q: Can we please have a copy of the most recently issued audited financial statements for the Pension Plan.

A: Please see *Attachment A - Pension Audit* available for viewing and download via our website, www.HACP.org.

Item 2: Q: Were the audit fees for the pension financial statements paid by Authority funds or by the Pension Plan.

A: Pension plan.

Item 3: Q: Schedule K provides pricing for the Main Audit and Pension Audit. Please clarify what should be included in the pricing for the Main Audit. Should this just include the fees for the Audited Financial Statements of the Authority/Grant Close Outs/Submission to REAC or should it include some tax return preparation for non-profit organizations. If it does include non-profit returns, can you please provide the number of returns needed and copies of the most recently submitted tax return?

A: See Scope of Services Page 6 Paragraph 2.

Item 4: Q: In the event that HACP creates any new entities that require separate audits or tax returns, would the contract awarded under this RFP be used as a "piggy back" for awarding those services with additional fees negotiated, or would the Authority issue a separate RFP for new services?

A: Yes, "piggy back" and negotiate additional fees.

Item 5: Q: Please provide copies of the most recent audited financial statements for all component units.

A: Please see *Attachment B - 2016 HACP Audit* available for viewing and download via our website, www.HACP.org.

Item 6: Q: Please provide copies of the most recent federal and state tax returns for all component units, including limited partnerships.

A: Refer to Item 14.

Item 7: Q: Please provide copies of the most recent audited financial statements of the defined contribution pension plan.

A: Refer to Item 1.

Item 8: Q: Please provide copies of the most recent federal form 5500 of the defined contribution plan.

A: Refer to *Attachment A - Pension Audit* available for viewing and download via our website, www.HACP.org.

Item 9: Q: Can you clarify the requirement related to the “cost certifications”?

- a) Is the requirement to audit the grant activity?
- b) Would the period covered be annual for possibly multi-year for grants that extend beyond one year?
- c) Should the proposal include fees for these “cost certifications” or would those be negotiated on an as needed basis?

A: a) Yes.

b) Yes.

c) Yes, include fees but note that no separate opinion is needed.

Item 10: Q: Approximately how many staff did the current audit firm use on the audit of the HACP financial statements?

A: Please see Item 9 from Addendum No. 1.

Item 11: Q: Approximately how many weeks were the auditors in the HACP offices for the annual audit?

A: Scheduled approximately 5 weeks.

Item 12: Q: Are there non-attest services that the current audit firm performs, such as:

- a) Drafting the financial statements and disclosures
- b) Assist with preparing the draft management discussion and analysis
- c) Proposing correcting adjustments

A: Yes

Item 13: Q: I was hoping that you can provide some information on the defined contribution pension plan contained in the RFP.

- a) Is it a 401(k) plan? If not, what type?
- b) Number of participants in plan
- c) Total amount of assets in the plan

A: Please see *Attachment A - Pension Audit* available for viewing and download via our website, www.HACP.org.

Item 14: Q: At the pre-proposal meeting this morning, we inquired about the availability of 2016 tax returns. As these are part of the proposal for 2017, our review of the 2016 returns would enable to determine a more-accurate fixed fee estimate. In addition, we like to review the 2016 Pension audit for the same reason. Specifically, we would like to request copies of the following:

2016 Pension Audit

2016 Form 990 for ARMDC and Clean Slate E3 (these are not yet available on Guidestar)

2016 Corporate returns for the following:

-ARMDC – Addison Terrace I, Inc.

-ARMDC – Addison Terrace II, Inc.

-ARMDC – Addison Terrace III, Inc.

-ARMDC – Larimer/East Liberty I, Inc.

A: Please see attachments: *Attachment A - Pension Audit, Attachment C - 990 ARMDC, Attachment D - 990 Clean Slate E3, Attachment E - Addison Terrace I, Attachment F - Addison Terrace II, Attachment G - Addison Terrace III, and Attachment H - Larimer/East Liberty.* All are available for viewing and download via our website, www.HACP.org.

Item 15: Q: In addition, please confirm that the audit fee should include the preparation of the Manchester Limited Partnerships. If this is the case, please provide copies of the 2016 returns for Manchester L.P. I, II, III, and IV.

A: Review should be part of the main audit however if a separate complete audit is deemed necessary pricing would be negotiated with the awarded vendor.

Item 16: Q: Can we use one subcontractor to satisfy both the MBE and the WBE, or does there need to be two separate subcontractors?

A: No. You may only count a certified firm as a MBE or WBE.

Item 17: Q: Is the separate pension audit fee paid by the HACP, or paid for by the Pension Fund?

A: See Item 2 above.

Item 18: Q: Could you provide a complete listing of deliverables (audit reports for the Authority/Pension any related entities, and tax returns/filings) expected as a result of this process?

A: Refer to Scope of Services page 6 paragraph 6.

Item 19: The proposal due date has been changed to February 14, 2018, time and location remain unchanged at 11:00 AM, at the HACP Procurement Dept., 100 Ross St. 2nd Floor, Suite 200, Pittsburgh, PA 15219.

END OF ADDENDUM NO. 3



Mr. Kim Detrick

Procurement Director/Chief Contracting Officer

2-7-18

Date