

Office of the State Auditor
RFP for the Agreed Upon Procedures for the Disaster Emergency Fund
For the Fiscal Years Ended June 30, 2023 and June 30, 2024
Responses to Bidder Inquiries

1. What is the OSA's budget for the requested services?

This is the first year the OSA is required to have this work performed, and we do not have a designated budget for the services. However, based on prior comparable work, we anticipate this engagement may take between 100 and 200 hours.

2. Which percentages/weights, if any, will the OSA assign to the General Criteria outlined on page 14 of the RFP?

General criteria are weighted in the following order from highest to lowest.

- 20% for each of the following general criteria:
 - Qualifications and experience of personnel
 - Proposed hours and costs
- 15% for each of the following general criteria
 - Comprehensiveness and appropriateness of the proposed work plan
 - Acceptance of the OSA's standard contract and its related exhibits without significant revisions.
- 10% for each of the following general criteria
 - Adequacy and completeness of the proposal with respect to the information required by Section II of the RFP.
 - Experience and stability of the organization.
 - Proposed time frame for meeting project milestones and completing the audit.

3. Page 11 Organization's Approach to the AUP Engagement requires a description of the methodology, approach, tools, and resources to be used to conduct the agreed upon procedures engagement. The AICPA Standards for Attestation Engagement require the use of specific language in the procedures. Does OSA want vendors' proposed modifications to the AUP procedures in the exceptions to standard terms and conditions, in the approach, or will this be negotiated upon selection?

Please indicate the firm's proposed modifications to the agreed-upon procedures as part of the organization's approach to the Agreed Upon Procedures Engagement (i.e., as part of the firm's response to the RFP's Section II, Item 6, as stated at the bottom of page 11).

4. How many hours did OSA spend conducting the 2022 performance audit of the Emergency Relief Funds? Or, does the Government have an estimated hours it will take to complete the audit?

Based on additional work performed by our Office for in-house performance audits, and because this is an agreed-upon procedures engagement instead of an audit, our hours do not provide a good comparison for this engagement. See question 1 indicating what we believe may be the range of hours for this engagement.

5. If the project does not start by the anticipated August start date, will the reporting timelines be adjusted accordingly?

This engagement is required by statute (Section 24-33.5-706(8), C.R.S.) and required to be completed on or before December 1, 2024. Therefore, the reporting timelines cannot be adjusted from what is reflected in the RFP. However, we don't currently expect any delays to the August start date.

6. Do you expect the firm to use a sampling approach similar to the one used for the 2022 performance audit of the Emergency Relief Funds? Will the Government specify what sampling methodology the auditor will need to adhere to?

We expect the firm to determine what sampling approach best meets the objectives of the agreed-upon procedures. The OSA is not specifying the sampling methodology and we expect bidders to include in the proposal the sampling methodology they will use on this engagement.

7. Please provide the background of individuals with the management of the Disaster Emergency Fund.

According to department staff, the background of individuals managing the Disaster Emergency Fund (DEF) follows:

Within the Offices of the Governor:

- Controller / CFO- handling accounting, reporting, and budget, 5 years of state experience
- Budget Director- handling budget and reporting of the DEF, 8 years of state experience
- Payable/Receivable Accountant- processes reimbursement to frontline agencies, 9 years of state experience

Within the Governor's Office of State Planning and Budgeting:

- Deputy Director- statewide budgeting of incidents and coordinates executive order execution, 3 years of state experience
- Statewide Budget Analyst- statewide budgeting of incidents and coordinates executive order execution, 3 years of state experience
- Statewide Budget Analyst- responsible for reporting of DEF (1426) to General Assembly, 1 year of state experience

Within Colorado Department of Public Safety:

- Controller, Deputy Controller, Budget Director, and Grants Program Manager. All of these individuals have anywhere from 5 to 30 years of experience.

8. Does the OSA have specific concerns surrounding the Disaster Emergency Fund? If so, what are those concerns?

The RFP requires procedures to be performed on the prior year audit recommendations identified during the 2022 performance audit. Besides that, there are currently no specific concerns surrounding the Disaster Emergency Fund. According to the departments, there is no specific concerns surrounding the Disaster Emergency Fund.

9. We have questions regarding the level of specificity of certain procedures identified under the Agreed Upon Procedures Scope. If awarded the contract, is the OSA willing to work through the specific wording of the procedures?

Please indicate the firm's proposal for the engagement and any changes to the procedures, or where clarification is necessary. Once a firm is awarded the RFP, we will work with them to address these items to ensure the procedures can be agreed upon prior to the contract being finalized for signature.

10. Within Section 5, Qualification of Assigned Personnel, it is stated the contractor must identify the principal staff, including specialists. Has the OSA used specialists in the prior AUP?

The 2022 performance audit of the Disaster Emergency fund was performed in-house by the OSA and did not use specialists.

11. Will the Government clarify what type of background checks may be required background checks are not a standard practice of the contractor?

The OSA does not expect to request background check information for this engagement. However, if that changes, then we will work with the selected firm to determine what we need before the contract is final.

12. Does the Government anticipate travel outside of Denver for the audit? If so, approximately how much travel will be required to complete the audit?

The OSA does not currently anticipate travel outside of Denver and nearby cities. According to the departments, travel outside of Denver and nearby cities is not anticipated.

13. In the RFP, will you clarify what positions are the key personnel? Are key personnel the same as the principal staff?

As noted in the RFP in Section II, Item 5: "The proposal must identify the principal staff (i.e., principals, managers, and supervisors/in-charges) who will work on the engagement, including any specialists or subcontractors to be used." Generally, we would expect principal staff and key personnel to be the same.