

Project: Consulting Services Related to Internal Controls, Technology, Finance, and Accounting

Date: December 6, 2022

RE: Addendum #1
of 12
Pages:

The following revisions and/or clarifications are to be made to the proposal documents for **Consulting Services Related to Internal Controls, Technology, Finance, and Accounting**. They are a result of issues discussed at the pre-proposal conference held on November 21, 2022 and any questions received by 4:00 p.m. on Wednesday, November 30, 2022.

Questions: (answers to all question are shown in Italics immediately after the question):

1. Does the primary on the contract need to be a CPA Firm?
No.
2. When is the anticipated Award Date?
The Authority expects to award the contract during the first quarter of 2023.
3. Can you add MWBE after the contract is awarded?
Proposers will be evaluated, in part, based on their MWBE and SDVOB utilization plans. Additional MWBE and SDVOB firms may be retained as subcontractors over the term of the contract in consultation and coordination with the Authority, but proposers should demonstrate in their proposal their plan to meet the stated goals.
4. “Provide samples of management reports, including an audit report, financial analysis or other related reports that are representative of the work the Authority can expect to receive in connection with your firm’s audit services.” Can BCPA confirm whether these reports count toward the proposal’s 10 page limit?
No, specific documents requested as part of answers to questions in Section VI. INFORMATION REQUIRED of the RFP and the required attachments do not count towards the ten (10) page limit.
5. “List each key member of the team you intend to assign to this engagement and include for each listed individual: (a) area(s) of specialization; (b) title and/or position within your firm; (c) the services to be performed.” Can BCPA confirm whether resumes count toward the proposal’s 10 page limit?
No, specific documents requested as part of answers to questions in Section VI. INFORMATION REQUIRED of the RFP and the required attachments do not count towards the ten (10) page limit.
6. “In addition to the copy required to be included in each bound Proposal, Proposers must additionally provide one (1) unbound, completed original, with ink signatures, of the NYS Standard Vendor Responsibility Questionnaire and SFL 139 Form 1. Since the

proposal is submitted via email, how should we provide the unbound original with ink signatures?"

Please note that only electronic version of the documents, preferably PDF documents, need to be sent. Scans of documents requiring ink signatures or requiring notarization are acceptable.

7. Section C. Required Forms, a., and b. "*In addition to the copy required to be included in each bound Proposal, Proposers must additionally provide one (1) unbound, completed original, with ink signatures, of the NYS Standard Vendor Responsibility Questionnaire and SFL 139 Form 1." The RFP requires the Technical and Cost proposal to be submitted via email to separate email addressed. Can you clarify if "ink signature versions of the "NYS Standard Vendor Responsibility Questionnaire and SFL 139 Form 1" are required?
Please note that only electronic version of the documents, preferably PDF documents, need to be sent. Scans of documents requiring ink signatures or requiring notarization are acceptable.

8. Can the BPCA explain the information to be included in "Total Percent of Contract Holder % " field on the MBE/WBE Utilization Plan?

Is it the same as "ESTIMATED % OF CONTRACT TO BE AWARDED TO SDVOB: " included on the SDVOB Utilization Plan?

The goals for SDVOB and M/WBE are entered separately and controlled under different NY Statutes (SDVOB is Exec. Law 17B, MWBE is 15A). The utilization plan for both programs should be approved at the time of execution, but can be adjusted if necessary so long as the stated goals continue to be met.

9. Since the scope of work will not be determined until the Audit Plan and specific projects are defined, Can the estimated % of contract to be awarded by the subcontractor be determined at the time of the assignment of work and not included in the Proposal response MBE/WBE/SDVOB utilization plans?

No. The scope of work is included in the solicitation. Though individual internal audits may require different expertise, the selected Proposer must meet the contractually-established MWBE and SDVOB utilization goals.

10. How should the EEO Contract goals on the EEO Policy Statement provided on pages B-6 and B-7 be completed? Or are they not applicable to this RFP?

Per Executive order 162 and updated authorization of Article 15A, the number, ethnicity and dollar amount of salary is required to be reported throughout the term of the contract. The Authority's Diversity Department will work with the selected firm on the reporting logistics upon award.

11. Could the Consultant perform the work remotely, or are there specific tasks the Authority anticipates would be performed onsite?

This will be determined throughout the term of the contract based on the nature of the Work needed. The extent to which the selected Proposer will be required to be on-site largely will be informed by the risk assessment conducted upon Contract execution.

Though some Authority functions are performed digitally, its staff also performs many functions on-site, and thus there are on-site risks that may be identified and need to be addressed. One example of an on-site risk is OSHA compliance and related workplace safety considerations.

12. Since responses to questions are scheduled to be posted on 12/6/22 and proposals are due soon thereafter (12/13/22), will an extension of the proposal due date be considered so that reasonable time can be given to review all questions and responses and appropriately apply that information to our proposal?

The Authority does not anticipate issuing an extension of the due date for Proposal submissions. However, if the due date is extended, this will be posted, in the form of the addendum, to the Authority's website here: <https://bpca.ny.gov/apply/rfp-opp/>

13. When will your selection process be completed and successful bidder notified?

The Authority expects to award the contract during the first quarter of 2023.

14. Will a list of attendees and minutes of the 11/21/22 pre-proposal meeting be posted?

Please note that there are no minutes of the pre-proposal meeting. Please find the Pre-Proposal RSVP list attached as Exhibit A.

15. Has the Authority had a contract for similar services in the past? If so, what projects were performed under the most recent contract for these services?

- a. Who performed the most recent services?
- b. How long ago was the engagement?
- c. Please provide a copy of any reports, if applicable.
- d. What were the fees and hours incurred for each service?
- e. Were you satisfied with the project management of the services provided?

The Authority currently has a contract in place for similar services. The solicitation for the most recent engagement is available on the Procurement Opportunities page of the Authority's website under "Consulting Services Related to Finance, Accounting and Auditing."

16. Please provide a copy of the 2021 risk assessment referenced in the 2021 BPCA Annual Report (2021 Report).

Recent Risks Assessments that have been performed will be shared with the selected Proposer upon Contract execution.

17. Does the Authority have a documented implementation plan for the 42 recommendations referenced in the 2021 Report? If so, please provide a copy of the implementation plan and provide an updated status on progress (e.g., are any fully implemented; in progress; awaiting additional technological, financial, or staffing resources, etc.).

Status on the implementation of the recommendations identified through the internal audit process in 2021 will be shared with the selected Proposer upon Contract execution.

18. Have there been any other risk assessments conducted since 2021? If so, please provide a copy/copies.

Recent Risks Assessments that have been performed will be shared with the selected Proposer upon Contract execution.

19. What is the Authority's annual budget appropriation for services under this contract?
This information is not relevant for the purposes of this RFP; the Authority's Operating Budget is established annually, and varies from year to year.
20. Page 3 of RFP: The file names to be labeled for the Technical Proposal and Cost Proposal are quite long. To facilitate saving these files on our network, would the Authority consider shorter file names?
For the sake of simplicity, Proposers may shorten the file name to "Internal Controls."
21. Page 4, Section V: "The Proposal must be no longer than ten (10) single-sided pages, exclusive of the Cover Letter, Cost Proposal, and Required Attachments." Would the Authority consider allowing more than 10 pages given all the information that is required to submit in response to Sections VI.A and VI.B (responses to 23 questions); or would the Authority consider, "(3) Responses to the Questions as well as all of the Information Required (Sections VI.A. and B.)" be excluded from the page count?
Specific documents requested as part of answers to questions in Section VI. INFORMATION REQUIRED of the RFP and the required attachments do not count towards the ten (10) page limit.
22. Pages 4 and 5: Please clarify if we are to include any exceptions to the contract in our Cover Letter and in an Appendix?
Per Section V. PROPOSAL FORMAT AND CONTENTS, Sub-section B. Proposal Content, "Proposer has reviewed BPCA's form of contract, attached as Exhibit E to this RFP, and either has no objections or has detailed their objections in an appendix to their Proposal." Proposers should note in the cover letter if there are any objections or not. Specific details on the various objections should be noted in the Appendix provided by the Proposer.
23. Page 5, Section VI. A. 14): How many sample reports shall we provide?
Two or three reports is sufficient.
24. Page 7, Section VI. C. 1) e): Since we are including the NYS Standard Vendor Responsibility Questionnaire and SFL 139 Form 1 in our emailed proposal, do we also need to submit a hard copy?
Please note that only electronic version of the documents, preferably PDF documents, need to be sent. Scans of documents requiring ink signatures or requiring notarization are acceptable.
25. Page 7, Section VI. C. 4): Based on the nature of our business, we do not have audited financial statements. Our financial information is confidential and proprietary. May we submit other information in our proposal (which is subject to the Freedom of Information Law) that substantiates our financial stability and then provide our financial information if invited to the oral interviews?

If Proposers do not have an audited financial statement, then they are required to submit unaudited financials certified by their CFO or the equivalent of their organization.

26. RFP page B-8 refers to “the attached Utilization Plan,” but a form was not included. Please provide the MWBE Utilization Plan form.
The Utilization Plans can be found on pages 11-14 of the Vendor Responsibility Questionnaire here: https://bpca.ny.gov/wp-content/uploads/2020/03/Vendor_Responsibility_Questionnaire_3_27_20.pdf
27. In the cost proposal, besides breaking down the hourly rates/fees by year for each year by title/level, what form should we use to estimate the total fees per year and any expenses?
The hourly rates provided in the Cost Proposal must be inclusive of any and all costs and expenses, including insurance. The selected Proposer will be paid upon delivery of each Proper Invoice, demonstrating the number of hours worked and the rates provided in their Cost Proposal. No other payments will be made.
28. The RFP is focused on financial processes, controls and systems, costs and allocation, contract compliance and if requested litigation support, forensic analysis and technology. If the risk assessment identifies governance, operations or programs as high risks, would you want the Internal Audit firm to audit these functions or activities?
Yes.
29. Beyond the controls work done by the external auditor, are any other examinations (e.g. spending practices, debt obligations) performed by government agencies or other third parties and in what areas?
BPCA is a New York State Public Authority and as such is subject to audits or investigations, which may occur as deemed necessary by regulatory authorities.
30. When do you envision the engagement to begin and are there any outstanding internal audits that will have to be performed concurrently with the risk assessment?
The Authority expects to award the contract during the first quarter of 2023, and for work to begin shortly thereafter. The selected Proposer may be asked by the Authority to advise or consult regarding internal controls work that may already be in progress upon award.
31. What application systems do you use for the following functions and are they cloud-based or on premises:
- a. Financial accounting and reporting
Microsoft Dynamics Great Plains; will be cloud-based in CY2023
 - b. Capital project management
Procore; cloud-based
 - c. Workforce management, payroll and benefits
ADP Workforce Now; cloud-based
 - d. Facility, vehicle and other asset tracking and work orders for repairs and maintenance?

Manager Plus; cloud-based

- e. Community-focused program operations, scheduling, registration, etc?

Mindbody; cloud-based

- f. Office technologies like MS Office, Sharepoint, etc?

MS Office 2013 and SharePoint, will be cloud-based in CY2023

- g. Are there other critical systems running on an internal network such as file/document management (e.g. vendor contracts, specifications, drawings invoices)?

Microsoft SharePoint and Open Text Hummingbird; cloud-based

- 32. On page two of the MBE/WBE and EEO Policy Statement form (Page 23 of RFP PDF), the year 2016 is included in the authorization section. Can this be updated, or should vendors update the form to reflect 2022?

Please fill out with the correct date upon execution.

- 33. Does the primary contractor need to be a CPA firm? Are there any attestation requirements?

Please see the response to Question 1.

- 34. Can you share the award date and the anticipated start date?

The Authority expects to award the Contract during the first quarter of 2023, and for the vendor to begin work immediately upon execution.

- 35. Can you add MBE/WBE/SDVOB after the award of the contract?

Please see the response to Question 3.

- 36. Can one subcontractor that fulfills both MBE and WBE fulfill all 30% of the contract? A subcontractor can only fulfill credit for one certification per job description as a Minority or Women owned businesses. A subcontractor that is certified as both a MBE and WBE can only receive credit for both categories where it performs more than one distinct function under the contract. Subcontractors that are certified as an MBE or WBE and also certified as a Service Disabled Enterprise (SDVOB) can use receive credit in both programs without performing work in different designations.

- 37. If multiple firms are chosen, will there be a bid for each individual project as it comes up?

The Authority reserves the right to structure the engagement in a manner that best fits its needs based on the qualifications and strength of any selected Proposer(s).

- 38. Does the Authority use or prefer any type of auditing or GRC software?

The Authority uses a GRC tool for IT-related functions.

- 39. Does the Authority have an Audit Committee and will the winning firm report to that Audit Committee? If not, who will the winning firm report to?

The selected Proposer will report to Authority's management, specifically the Chief Operating Officer and/or his designee.

40. Is this function currently in place? If so is there a provider who is currently performing this work?

Yes.

41. How strict is the percentage distribution of the 36% subcontracting amount between MBE/WBE/SDVOB? (i.e. 15/15/6)

Goals are determined on a contract by contract basis. The goals are enforced by contract and state law. The goals for this solicitation were determined based on a study of market availability. Any firm seeking a waiver or modification of the goals must demonstrate that the percentages are unattainable in the market for this work based on the scope of services.

42. Does the Authority intend to award this RFP to two companies; one to identify control risks and another to conduct the internal audit(s) of such risks?

See the response to Question 37.

43. Are there existing internal Risk methodology/Assessments of the Authority that should be considered?

All solicitation-specific information to be considered by Proposers is contained in the solicitation itself. Proposer selection will be based upon, among other factors, the effectiveness of the Proposer's proposed approach and methodology.

44. What are considered to be the Authority's key operations?

Please see "Description of the Authority and Its Board Structure" from recent Annual Reports on bpca.ny.gov.

45. The RFP appears to have conflicting language regarding one of the final deliverables. It is noted that the Authority anticipates internal audits and "...all results of agreed-upon procedures." Thus, it is not clear if the Authority expects an internal audit report or an agreed-upon procedures engagement report. Can you confirm which one of these the Authority expects as a final deliverable?

In the process of conducting an internal audit, it is expected that the selected proposer will identify to the Authority its recommendations for addressing identified issues and allow the Authority an opportunity to respond to those recommendations and discuss with the selected Proposer for incorporation into the final audit report. It is also BPCA's expectation that the Authority will agree to the procedures taken prior to the commencement of each audit conducted.

46. What percentage of time to perform the internal function does BPCA estimate to be on-site versus remote?

Please see the response to Question 11.

47. How many resources does the Agency have committed to their internal audit function?

While it is unclear what you are referring to when asking for a number of resources, reviews are conducted in collaboration with various BPCA team members across the organization depending on the nature of the services required.

48. Has an Internal Control Risk Assessment been performed previously? If so, can that document be shared?
Recent Risks Assessments that have been performed will be shared with the selected Proposer upon Contract execution.
49. When does BPCA estimate the Internal Control Risk Assessment will need to be initially conducted or updated?
BPCA expects a new Internal Control Risk Assessment will be commenced upon contract execution.
50. Was an Internal Audit Plan previously developed in prior years? If so can that plan be shared?
Recent Internal Audit Plans that have been developed will be shared with the selected Proposer upon Contract execution.
51. How many hours are budgeted for the outsourced internal audit function annually?
Please see the response to Question 19.
52. Who will the selected contractor for internal audit services directly report to? Will the contractor or BPCA's Director deliver reports to and make presentations to the Audit and Finance Committee?
The selected Proposer will report to the Chief Operating Officer, or his designee. At their direction, the selected Proposer may be requested to deliver reports or make presentations to other members of the Authority's staff, and/or to its Board.
53. Will multiple firms or one firm be awarded the contract?
Pursuant to Section II of the Solicitation, the Authority reserves the right to award the Work, in whole or in part, to one or more Proposers.
54. Can the same subcontractor, that is both a MBE and WBE, be used for both MBE and WBE credits on the M/WBE utilization plan?
Please see response to Question 36.
55. Can one M/WBE subcontractor satisfy the entire MBE goal and the entire WBE goal?
No. The certifications and credit are separate. See #54 above.
56. If an M/WBE is the prime, does that completely satisfy the M/WBE goal for the project (not including the SDVOB goal)?
Yes, to the extent the prime contractor is certified as an MBE or WBE it will receive full credit for that category, -but depending available subcontracting opportunities the firm

will still be expected to fulfill any remaining goals for SDVOB and any remaining M or WBE category.

57. Do the Audit Reports / Task Reports referred to within the Request for Proposal require audit attestation (opinion)?

The Authority requires only one attestation annually from the successful Proposer, a Fraud Risk Inquiry to facilitate the completion of the Authority's annual audit by its external audit firm.

58. For the report examples to be provided (Section VI.A.14), does the sample "audit report" need to be an attestation report?

No.

59. In order to determine staffing requirements, can you please provide some indication of overall budget hours or dollars for the first 3-year period?

Please see the response to Question 19.

60. Is the proposal only including rates and not a lump-sum or Not-to-Exceed amount?

Correct. Bidders must conform their Cost Proposal to Section VIII of the solicitation.

61. What documents are required to be submitted by subcontractors with the proposal?

The proposal and all documents contained therein should come from the firm submitting the proposal and include all documents responsive to the requirements of the RFP.

62. Do M/WBE and SDVOB subcontractors need to have the same insurance coverage as the prime contractor, as outlined in the Request for Proposal?

Information on Subcontractor/Subconsultant insurance requirements can be found in the RFP in Section VII. INSURANCE REQUIREMENTS, Sub-section C. Insurance Requirements for all Subcontractors.

63. Is there a listing of the BPCA's internal controls, subject to the scope of this RFP, that are publicly available? If so, where are they located?

No. The risks and internal controls of the Authority are commensurate with an organization of its size, function, and complexity.

64. If the BPCA internal audit function has outsourced or co-sourced in the past, are there any improvements the agency is seeking to gain in a new provider?

The internal audit function has been outsourced in the past. The Authority is seeking to select a proposer that it determines, in its sole discretion, best meets its needs as outlined in the solicitation.

65. How many internal audits are typically performed each year (estimated/on average)?

The number of audits and/or engagements varies significantly from year to year based on the needs of the Authority, the level of effort required for the engagements.

66. Does BPCA object to the internal audit service provider leveraging offshore resources as part of a hybrid staffing model?

The Proposer who is awarded any Work via the RFP, shall be required to comply with all applicable New York State laws regarding data security, including requirements to host all data in the Continental United States.

67. Can you provide an IT inventory listing of key BPCA technologies/applications so we can tailor our proposal to reflect our relevant experience?

See the response to Question 31.

68. If you are not currently using a GRC tool, are you considering acquiring or licensing one in the future?

The Authority uses a GRC tool for IT-related functions.

69. Would you like your internal audit service provider to supply a tool or to provide help on selecting one?

This is not strictly relevant for the purposes of responding to this solicitation, however proposals will be evaluated to determine the best overall value they bring to the Authority.

70. What is the preferred or required method for delivering audit work papers (e.g., via SharePoint, email, etc.)?

The Authority does not have a specific preference so long as all documents are accessible to Authority staff throughout the Contract term and are maintained and transmitted securely in accordance with the contract requirements.

71. Would the consulting services provider be expected to report to the audit committee?

Please see the response to Question 39.

72. Who does BPCA envision being the liaison or point of contact to interact with the consulting services project manager?

The selected Proposer will report to the Chief Operating Officer, or his designee.

73. Are we allowed to use your logo or imagery in the proposal document?

Proposers are welcome to use Authority images in their Proposal, however please note that they are required to conform with the requirements of all applicable rules and regulations related to copyright including those related to fair use and attestation.

74. Is there an annual budget established for the internal audit services?

Yes, the Authority's Operating Budget, including its budget allocated to internal audit services, is established annually.

By signing the line below, I am acknowledging that all pages of the addendum have been received reviewed and understood, and will be incorporated into the bid price submitted. This document must be attached to the proposal for consideration.

Print Name

Signature

Date

Number of pages received: _____ <fill in>

Distributed to: All present and all prospective Proposers

Exhibit A: List of Pre-Proposal RSVPs

Ammalu IT
CohnReznick LLP
Crowe LLP
Deloitte Services LP
Jefferson Wells Internal, Inc.
Macias Gini & O'Connell LLP
Owl Contracting
PFK International
RK Software
Weaver Assurance Tax Advisory
Yip CPA