

Questions & Answers

1. Is the prior audit firm allowed to bid on the audit?

Answer: Yes, the prior audit firm may submit a proposal, if they have not exceeded the period of eight consecutive years per the NM State Audit Rule.

2. What is the reason the audit is going out to bid?

Answer: The agency's previous RFP allowed for three contract years; therefore, a new RFP is required to comply with New Mexico State Procurement code.

3. Are there any new federal awards that would be included on the FY 2021 SEFA?

Answer: Yes, the agency has the following new federal award for FY2021

- US Department of Treasury 21.019 Coronavirus Relief Fund
- US Department of Treasury 21.019 Emergency Rental Assistance
- US Department of Treasury 21.019 Homeowner Assistance Fund
- US Department of Education 84.425 Governors Emergency Education Relief
- DFA is applying for federal grants as they became available and therefore list my change based on awards.

4. How many major programs are anticipated for FY 2021?

Answer: Three major programs are anticipated for FY 2021.

5. Is a copy of the 2020 audit report available?

Answer: Yes, the audit report can be found on the NM State Auditor website and the Department of Finance & Administration website via the below links.

<https://www.osa-app.org/auditreportsearch.aspx>  
<https://www.nmdfa.state.nm.us/annual-financial-audit-report/>

6. What were the hours and fees for the FY 2020 and 2019 audits?

Answer: FY2020 Fees: \$94,000 hours: N/A FY2019 Fees: \$91,500 hours: N/A

7. Were there any audit adjustments identified in the FY 2020 audit?

Answer: The FY20 audit report can be found on the NM State Auditor website and the Department of Finance & Administration website via the below links.

<https://www.osa-app.org/auditreportsearch.aspx>  
<https://www.nmdfa.state.nm.us/annual-financial-audit-report/>

8. Were there any audit findings from the 2020 audit?

Answer: Yes, there were three findings.

- 2020-001 Noncompliance with Yield Control Formula Statute
- 2020-002 Statewide Financial Reporting
- 2020-003 IT General Controls

9. Is it expected that there will be 11 major funds in the 2021 financial statements?

Answer: We are estimating 13 major funds in FY2021.

10. Can New Mexico preferences be awarded if a subcontractor meets the requirements?

Answer: Preference applies to the Offeror (see Section I. D. Definition of Terminology).

11. Does DFA prepare the financial statements or does the audit firm?

Answer: The Financial statements would be prepared by the audit firm, with assistance from the agency. The agency will prepare the footnotes, supplementary information schedules and budgetary comparisons.

12. In section 2. IPA Firm Capability and Capacity, for proof of CPE compliance, do you want a list of courses each person has taken, or the number of cumulative hours? Also, how many years of CPE do you want shown for each staff member.

Answer: The Offeror should provide as much information as possible to clearly show all CPE compliance.

13. What parts of the audit generally cause the most challenge or difficulty?

Answer: We anticipate the most challenging funds will be the debt service funds, the CARES Act fund, and the Emergency Rental Assistance fund.

14. What is most important to the Agency when considering a new auditor?

Answer: The Agency has provided point values for each specification listed. See Section V. Evaluation.

15. What portions of the financial statements does the DFA usually prepare and what is expected of the auditor?

Answer: The Financial statements would be prepared by the audit firm, with assistance from the agency. The agency will prepare the footnotes, supplementary information schedules and budgetary comparisons.

16. What is Agency's expectation of the auditor with respect to working in-person vs. remotely/electronically?

Answer: The agency is flexible with respect to in person vs remotely/electronically if Covid safety protocols are followed.

17. What was the makeup of the audit team in prior years (number of staff, managers, partners etc.)?

Answer: We are unable to find the details of the prior audit team.

18. How much time has the audit team spent on-site (or dedicated specifically to the audit remotely) during prior year audits?

Answer: The prior audit was done both on-site and remotely, as needed by the audit team.

19. What is the fee breakdown of the PY audit contract?

Answer: Prior year audit contract fee was \$89,000 for Financial statement audit and \$5,000 for Financial Statement preparation.

20. What are your preferred 2021 timeframes for the interim, UGG (if applicable), and final testing?

Answer: We are open to proposals for interim work. Offeror should provide its proposed plan and timeline as requested in the RFP.

21. Will you be preparing footnotes, supplementary information schedules, and/or budgetary comparisons along with the draft financial statements? (We understand you will need some level of FS prep assistance but would like to know to what level. For example, there are over 30 pages of SI schedules)

Answer: The Financial statements would be prepared by the audit firm, with assistance from the agency. The agency will prepare the footnotes, supplementary information schedules and budgetary comparisons.

22. Do you expect a UGG single audit will be required for the 6/30/2021 audit? We understand it is likely with CARESACT.

Answer: Yes, we expect a UGG single audit.

23. With the State Audit Rule change, may we provide a quote for FY21-24?

Answer: Yes, our expectation is the offeror provide a single cost proposal to be used for FY21-24, adjustments to future years may be negotiated if the agency programs were to increase from current year.