



**Auditing Services
RFP 20-R04
ADDENDUM NUMBER ONE (1)
February 20, 2020**

PLEASE NOTE THE FOLLOWING:

1. All times stated in RFP 20-R04 are Eastern Standard Time.
2. The Proposal Submission due date has been changed from THURSDAY, FEBRUARY 27, 2020 @ 2:00 PM E.S.T. to FRIDAY, FEBRUARY 28, 2020 @ 2:00 PM E.S.T..

ANSWERS TO QUESTIONS:

1. Would it be possible to see who all was on the sign-in sheet for the meeting?

ANSWER: A list of attendees present at the Pre-Proposal meeting is attached to this Addendum Number One (1).

2. What were the audit fees for each of the last three fiscal years?

ANSWER: The audit fees LYNX paid the prior five (5) reporting periods for Auditing Services totaled \$515,000. This amount included three (3) initially contracted periods and two (2) quantity one (1) year options.

3. Are the current auditors allowed to respond to the RFP?

ANSWER: Yes.

4. Does the current auditor prepare the CAFR?

ANSWER: LYNX's team prepares the CAFR and submits a draft for review to the current auditor to ensure completeness and technical accuracy. LYNX and the auditor then work through the list of suggested edits and make changes to the document until both parties agree on the representation.

5. How long has the current auditor been performing this audit?

ANSWER: Since at least August 25, 2010.

6. In fiscal year 2019, were there any additional services provided by the current auditors? If so, what were they and what were the fees?

ANSWER: Yes, testing for agreed upon procedures was required by a funding agency and LYNX also requested support for centralizing and strengthening the Authority's current business controls. These projects were independently quoted and billed at the current hourly rates submitted by the auditor for the level of staff needed to complete each task.

7. Are there any material current events that will affect the Authority during the 9/30/20 fiscal year (lawsuits, debt issuances, changing software, new programs, loss/gain of major funding source...)?

ANSWER: All anticipated expenses for FY2020 are forecasted to be in the normal course of business during this fiscal year.

8. Who will be the members of the audit selection committee?

ANSWER:

As stated in January 23, 2020 LYNX Board of Directors meeting Action Agenda Item #8.C, "On April 26, 2019, the Governor signed into law Chapter 2019-15 amending Section 218.391, Florida Statutes, which sets forth requirements applicable to public entities' selection of outside auditors. In connection with the amendments to Administrative Rule 2 and for the purpose of assisting the Governing Board in its upcoming selection of an outside auditor, Staff is requesting that the Board designate one of the Governing Board members to serve as the chair of the Finance and Audit Committee in order to comply with the statutory requirement that the committee be chaired by a member of the agency's governing body when serving as an auditor selection committee. The designation will be solely related to the Finance and Audit Committee's role as an auditor selection committee and will not otherwise make a member of the Governing Board the chair or a member of the Finance and Audit Committee for any other purpose."

The audit selection committee will be comprised of current members of the Finance & Audit Committee listed below with one exception; the Governing Board member designated by the LYNX Board of Directors will replace the Finance & Audit Committee member below from their corresponding agency.

- a. Amanda Clavijo, Osceola County
 - b. Michelle McCrimmon, City of Orlando
 - c. Kurt Petersen, Orange County
 - d. Timothy Jecks, Seminole County
 - e. Jo Santiago, FDOT, 5th District
9. Page 1 of RFP – Are Exhibits E, H, and J required for this proposal? They aren't marked with an X or an R.

ANSWER: Exhibits E LYNX General Provisions, H Lobbying, and J Buy America are not required.

10. Page 9 – Exhibit B, Task 3 – It notes that the proposer will "perform an annual review and provide certification of LYNX's Comprehensive Annual Financial Report (CAFR)..." What specifically are you asking the proposer to do for this?

ANSWER: LYNX's team prepares the CAFR and submits a draft for review to the current auditor to ensure completeness and technical accuracy. LYNX and the auditor then work through the list

of suggested edits and make changes to the document until both parties agree on the representation.

11. Where Exhibit M should be included, Section 6 or Section 4? If Section 4, what other information are you looking for in Section 6?

ANSWER: Regarding **Exhibit A Section 16. Proposal Format**, please include Exhibit M in **Section 4 Required Submittals (Forms and Exhibits)**. **Section 6 References and Project References** can include detail beyond what is required for Exhibit M.

12. For Section 5 Insurance, Bonding Capacity, W-9, what specific information are you looking for? We can provide our W-9, but not sure what other information you are looking for related to insurance and bonding capacity.

ANSWER: Proposers are to include a W-9 and a Certificate of Insurance in their proposal. Bonding is not required for the procurement.

13. What are the biggest concerns of the organization? How might you look at your audit firm to help you address those concerns?

ANSWER: The largest Financial Reporting concerns occur outside the Authority. New Governmental Accounting Standards Board (GASB) pronouncements are becoming increasingly complicated. Properly implementing new reporting requirements which may conflict with prior period presentations are the agency's largest financial reporting concern on a year over year basis.

14. Is the audit being put out to bid on a normal cycle? How long have your current auditors been servicing LYNX? Can the current firm propose?

ANSWER: Yes, there are no more option years available, necessitating solicitation and RFP. Since at least August 25, 2010. Yes, the current auditors can propose again.

15. Have there been any disagreements with the current auditors regarding accounting treatment, journal entries, findings or other matters?

ANSWER: All audit questions during the prior five (5) reporting periods have been answered to the auditor's satisfaction. When a situation like a change in GASB occurs, LYNX convenes with the auditor for guidance as to how to proceed before taking a position.

16. Who are the members of the selection committee for this RFP?

ANSWER: See answer to Question 8.

17. Will exceptions to the standard terms and conditions be accepted? If selected, will we be able to negotiate the terms and conditions of a definitive agreement?

ANSWER: Per Exhibit C Section B, "Purchasing Agent's review shall be limited to determining whether the Proposals comply with the requirements of the RFP. The Senior Purchasing Agent may, in his or her sole discretion, (i) reject any Proposals that are incomplete, (ii) reject any Proposals that fail to conform to the requirements of the RFP, and/or (iii) **reject any Proposals**

that take exception to the Scope of Services. The Senior Purchasing Agent may waive any informalities or irregularities in any Proposal if he or she determines that such irregularities or informalities are not material. All Proposals that are not rejected by the Senior Purchasing Agent shall be evaluated by the SEC." Also stated in Exhibit C Section B, "The SEC may make an award recommendation based upon the initial proposals received, request a revised proposal based upon further clarifications and/or questions or **request the Procurement Department to enter into negotiations with select Proposers** or to obtain a best and final offer."

18. What are the current audit fees for the scope of services? What have they been the past three years?

ANSWER: See answer to #2.

19. Has the current auditor ever billed over their fixed fee and if so what was the reason?

ANSWER: Yes, testing for agreed upon procedures was required by a funding agency and LYNX also requested support for centralizing and strengthening the Authority's current business controls. Both of these projects were independently quoted outside of the audit and billed at the current hourly rates submitted by the auditor for the level of staff needed to complete each task.

20. Has the current auditor provided any additional services outside the original audit contract?

ANSWER: See answer to #19.

21. What are the desired audit fieldwork schedule for interim and final fieldwork?

ANSWER: August for interim and first part of December for final – auditor time permitting.

22. For the interim and final fieldwork phase how many audit managers, seniors, and staff are typically in the field and for how long?

ANSWER: As many as the job requires to complete the audit for the current period. At any one time, our current auditor has had one (1)-four (4) people of varying skills on LYNX property to complete tasks within the scope of services.

23. Have there been many passed or posted adjustments resulting from the audit process in recent years? Is it possible to obtain the required communication correspondences?

ANSWER: There was one prior period adjustment required from a change in GASB reporting, however LYNX booked the proper entry in the prior period under the preceding guidance.

24. Who takes the lead in the implementation of new GASB'S?

ANSWER: LYNX and the auditor share the responsibility; LYNX staff convene to discuss a strategy and present the agreed upon information when requested.

25. Have you experienced turnover in key roles within the organization?

ANSWER: The CFO, Director of Finance, and Manager of Financial Reporting each have more than five (5) years of experience with LYNX. The Comptroller and Manager of Financial Planning and Budgets joined LYNX within the last two (2) fiscal years.

26. Has your auditors provided a management letter in the past 3 years? If so, can that document be made available?

ANSWER: Yes, all three (3) years. Comprehensive Annual Financial Reports can be found at <https://www.golynx.com/corporate-info/how-lynx-funded.stml>.

27. Are there any matters that require consideration in assessing the scope of this project over the proposed term?

ANSWER: No.

28. Do you have any major IT upgrades planned?

ANSWER: TripBroker installation within Trapeze for Para-Transit Services, and an update to LYNX Great Plains/Windows Dynamics financial software to a newer version.

29. Task 4 – Page 2 of 3 on Exhibit B - Were there additional services provided by the auditor in the past 3 years? If so, please describe the nature of the services and fees paid for those services.

ANSWER: Yes, testing for agreed upon procedures was required by a funding agency and LYNX also requested support for centralizing and strengthening the Authority's current business controls. These projects were independently quoted and billed at the current hourly rates submitted by the auditor for the level of staff needed to complete each task.

30. What were the audit fees for fiscal year 2018 and 2017?

ANSWER: Please see answer to #2.

31. How many auditors were onsite and for how many weeks/days?

ANSWER: Please see answer to #22.

32. When does year end fieldwork generally start? Or when will LYNX be closed out and ready to be audited?

ANSWER: Please see answer to #21.






33. Do you anticipate any significant changes in management, operations or in funding in fiscal year 2019 or beyond?

ANSWER: The LYNX CEO is on loan from Orange County and has been appointed by the LYNX Board of Directors on an interim basis. Changes in management, operations and funding are anticipated in an organization the size of LYNX and are impacted by many variables. All other anticipated expenses for FY2020 are forecasted to be in the normal course of business during this fiscal year.

PRE-PROPOSAL MEETING SIGN IN SHEET
LYNX RFP 20-R04
AUDITING SERVICES
DATE: Wednesday, January 22, 2020 at 3:00 pm E.S.T.

Company	Name	DBE Y/N	Phone	E-Mail
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