



**The Finance Authority of New Orleans (FANO)**  
**Request for Proposals (RFP)**  
**#002-2019**  
**Financial Audit Services**

**ADDENDUM #1**  
**February 12, 2019**

1. **Question:** When is the trail balance usually ready for audit?

**Answer:** The trail balance is expected to be ready by late February.
2. **Question:** What are your expectations regarding timing of the audit and report issuance?

**Answer:** As it relates to the expectations regarding timing of the audit and report issuance please refer to the section titled "Scope of Work" in the reference RFP.
3. **Question:** Any significant audit adjustments in prior year?

**Answer:** As stated in the Note 2 of the financial report for the year ended in 2017:

“Subsequent to the issuance of the financial statements as of December 31, 2016, the Authority determined that certain real estate assets in the Pathways to Homeownership Program should be written off as they were improperly capitalized. The Authority also noted that certain donated real estate assets needed to be recorded in the current year. The Authority determined that the net of these transactions caused an overstatement of capital assets of \$774,000. The prior period adjustment is presented as an adjustment to the beginning net position of the Pathways to Homeownership Program.”

“Subsequent to the issuance of the financial statements as of December 31, 2016, the Authority determined that certain building improvements in the Operating Fund should have been incurring depreciation. The Authority determined that the net of these transactions caused an overstatement of net capital assets of \$25,000. The prior period adjustment is presented as an adjustment to the beginning net position of the Operating Fund.”
4. **Question:** Any new activities that were not present in the prior year audit? Any new activities coming up in the next few years?

**Answer:** No, new activities that were not present in the prior year audit.



**Answer:** No, new activities expected in the next few years.

5. **Question:** What software do you use? Any changes in software in the prior year or expected changes in upcoming years?

**Answer:** The current software is QuickBooks.

**Answer:** Yes, we are currently in the implementation process for the Enterprise Resources Planning (ERP) system.

6. **Question:** How many weeks did the auditors spend at your location? Was interim performed?

**Answer:** The Auditors are on site for at least three weeks.

**Answer:** No, an interim was not performed.

7. **Question:** Has the 2017 finding related to capital assets been resolved? Are any delays expected for the 2018 audit related to the finding?

**Answer:** Yes, the finding from 2017 related to capital assets has been resolved.

**Answer:** No, delays are expected for the 2018 as it relates to the 2017 audit finding.

**PLEASE NOTE:** All revisions in this Addendum shall be considered as included in the original Request for Proposal and shall take precedence over any part of the solicitation in conflict therewith.

**[END OF ADDENDUM #1]**