



May 8, 2025

RFP – Specialized Auditing Services

Addendum 1 – Response to Questions

1. Approximately how many capital projects occurred during the scope time period and how many dollars were expended by the City by fiscal year?

Response: FY 22/23 Projects: 17 Expenditures: \$20M
FY 23/24 Projects: 30 Expenditures: \$14M

2. Are policies and procedures for capital projects such as bidding processes and vendor selection formalized?

Response: Yes, they are.

3. Approximately how many City employees are involved in the accounting of capital project-related funds?

Response: Approximately 10.

4. Is there a budget for this engagement? If so, what is the budgeted amount?

Response: No.

5. Our process also includes a requirement to sign an annual engagement letter on commercially reasonable terms. Is the City amenable to signing that? Should we include a sample engagement letter in our response?

Response: Please included a sample engagement letter and the City will review.

6. Regarding the Professional Services Agreement provided, to ensure adherence with professional standards, are vendors allowed to include exceptions provided by our legal team within the proposal or will there be a contract negotiation period following award?

Response: Please included requested changes to the Professional Services Agreement with your proposal. It will be reviewed by the City Attorney and a discussion period will follow.

7. On page 8 of the RFP, there is a requirement for staff to have a California license. Would the City accept team members holding a license from another state if accepted through mobility/reciprocity?

Response: Yes, the City will find this acceptable.

8. Our firm is looking at submitting a proposal for the "RFP for Specialized Auditing Services". We perform both GAGAS (Yellowbook) and IIA (IPPF/Global Audit Standards/Red Book) audits and were founded in late 2022. As such, our first peer review isn't scheduled until later this year in

October 2025. This is in compliance with both audit standards, but we do not have a peer review to submit with the proposal.

Will a written statement about our quality control and assurance process suffice to meet the qualifications? We have numerous recent references from audit offices, and inspector generals we've served since our inception that can support our credentials.

Response: Yes, the City will accept a written statement as stated above.

This Addendum forms a part of the Proposal Documents and will be incorporated into the Proposal Documents, as applicable. All other conditions of the Proposal Documents remain unchanged. The following changes, additions, or deletions as set forth herein shall apply to the Proposal Documents and shall be made a part thereof and shall be subject to all the requirements thereof as through originally shown and/or specified.

Proposals shall be submitted in accordance with this Addendum. All consultants MUST acknowledge receipt of this Addendum by signing and returning this Addendum with your Proposal.

City of Los Banos

Firm Name: _____

By: _____

Title: _____

Date: _____



By: Minnie Moreno
Finance Director