

Questions from perspective proposer:

1. Please confirm the following deliverables under the RFP:

- Risk assessment and internal audit plan. From the RFP, the risk assessment and internal audit plan would be part of the required deliverables from the proposer awarded the contract and be due to the Audit Committee by November 10th. Execution of the audit plan by the Proposer would take place to meet the time line requirements also specified in the RFP for reporting to the Board in mid-February/March.
- A single or multiple audit reports (depending on the answer to #3 above). A comprehensive audit report on all individual audit activities for the year was expected. The Authority would expect a separate report for any additional audit work requested, over and above the audit plan.

2. Are there any other deliverables required under the RFP? The intention of the RFP is to obtain a maximum fee to comply with the requirements outlined under B-350 for the internal audit function. The Authority has no Internal Auditor on staff and the proposer awarded the contract would be completely responsible for demonstrating compliance. Our expectation is to receive proposals outlining the most cost effective means to achieve that goal. The requirements under B-350 include: the development of the risk assessment, development of an audit plan to insure the adequacy of internal controls that address assessed risk, the execution of the audit plan, and report of findings. In addition, the RFP asks for a quote of billable hour rates for any incremental work that may arise. This incremental work would not be covered by the maximum fee and would be used solely at management's discretion on an as needed basis.

3. Is the expectation one audit report for each year covering all the areas included in the audit plan for the year? Or is the expectation for multiple audit reports during the year, each covering one of the selected risk areas included in the audit plan for the year? A single audit plan that covers three years would be acceptable provided that the proposer awarded the contract would each year attest to the adequacy of the audit plan to the Audit Committee consistent with B-350.

4. Timing of deliverables:

- When will the audit plan for the December 31, 2011, calendar year be due to the Audit Committee? As stated above, November 10, 2011.
- When will the audit report(s) be due to the Audit Committee for the December 31, 2011, calendar year? As stated above, by the Board Meeting held in mid February or at the latest, Mid March. Ideally our preference is to have it completed by mid February.