



Accelerate Progress for Students

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RFP NO. ADDENDUM #1

March 13, 2018

APS Request for Proposal 18-051- RA External Audit Services

Please note the following responses to questions regarding RFP:

1. How many charter schools has APS approved to open over the next two years? **Four new charter schools have been approved effective July 1, 2018. The number of charter school authorizations can vary from year to year, based on applications, closures and Board approval.**
2. Has APS issued oversight reports on the charter schools? **Yes, on an annual basis.**
3. Does APS provide timelines associated with the close out process to the charter schools? **Yes, we provide a general timeline for completion but leave the exact timing of fieldwork to the audit firm and charter school.**
4. Does APS use a fixed asset software to calculate depreciation? **Yes.**
5. Is APS using a trial balance software? It appears APS is maintaining the trial balances. **Yes, we use FX Workpaper Manager.**
6. Is APS preparing the notes and schedules? We understand FS prep is assigned to the auditor. **Yes, we prepare the notes and schedules.**
7. It appears that there are five new Charter Schools for the fiscal year 2018 audit. How many of those five new Charter Schools have foundations? **Unknown at this time; the number of charter schools and related foundations is subject to change every fiscal year. Additionally, some of the charter school foundations may not be material to the financial statements in one year but rise to the level of materiality in the next year.**
8. Out of the five new Charter Schools, are any of them going to require separately issued financial statements? **The charter schools always have the option of requesting separately issued financial statements, but we leave that decision to the charter schools.**
9. From the existing 20 Charter Schools, will any schools that did not have separately issued financial statements require one in fiscal year 2018? **Same as above.**

10. Is it possible to get a copy of the audit for the Corporate of Public Broadcasting purposes? **Yes, please see attachment.**
11. "Other non-audit services, such as depreciation schedule updates." Can you please elaborate on the extent and level of effort required on this item? What other areas specifically will require assistance? For the depreciation schedules, will the auditor be required to search APS's records to determine additions and deletions, or will the auditor simply be incorporating APS-prepared additions and deletions listings into the records and calculating depreciation? **APS calculates all depreciation and maintains all capital asset records. Depreciation schedule was used as an example, in case APS does need any non-audit services.**
12. Can you clarify on whether the audit firm will be drafting the actual Financial Statement report, or just assisting APS with this task? In review of last year's report, it appears APS drafted the report. **APS only prepares the financial statements for APS, not the component units. The audit firm will need to combine all component unit pieces into the CAFR.**
13. Are there additional reporting requirements for the Cpb audit? **Yes, separate financial statements are issued, a copy of the FY17 audit is available.**
14. We noted that there were 9 charter schools in the prior year that had separately issued FS, is there an expectation that there will be additional charter schools that will be separately issued in the current year and years to come? If so, does the District expect estimated pricing for charter schools that will have separately issued FS? **APS leaves the choice to the charter schools if they wish to have separate financial statements. The District expects the pricing to include an option for separately issued financial statements. All pricing for charter schools should also take into consideration the possibility of the charter schools having a related foundation, which may or may not be material in any given year.**
15. Pg 10 of the RFP lists services to be provided to the District- One of bullet points states-"Other non-audit services, such as depreciation schedule updates" Does the District maintain their own fixed asset schedules, including depreciation? **Yes, the District maintains their own fixed asset schedules, to include depreciation. Depreciation schedule was used an example in case the District does need other non-audit services.**
16. Is the District willing to share the breakdown of the contract cost from prior year, for example, charter school fees, APS foundation fees, District fees? **Please see the State of New Mexico Audit Contract for FY17.**
17. Pg 11 Approach to Scope of Services section- The District requests a sample "Management Letter". Is this referring to the Management Representation letter provided at the end of the audit, or is this a letter that the firm provides to Those Charged with Governance? **Letter the firm provides to Those Charged with Governance.**
18. Did the District receive any new federal awards greater than \$750,000? **Yes, beginning in FY18, CFDA number 84.165A, Magnet Schools Assistance, from the U.S. Department of Education.**

Thank you for your interest in Albuquerque Public Schools

ACKNOWLEDGE ADDENDUM WITH SUBMITTED PROPOSAL: Addenda not signed and returned may consider the RFP non-responsive and may be rejected.

COMPANY/FIRM NAME

SIGNATURE

DATE