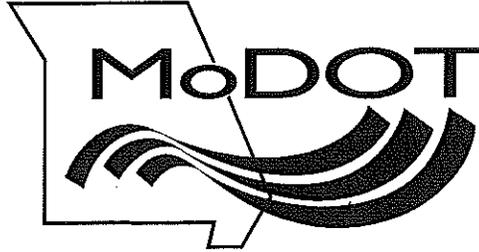


Missouri
Department
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**ADDENDUM 001
REQUEST FOR PROPOSALS
MTFC Audit Services
Request for Proposal 6-121102TV**

Offerors should acknowledge receipt of Addendum 001 (ONE) by **signing and including it** with the original proposal. The due date for receipt of proposals remains **unchanged** by this Addendum. Accordingly, the following clarifications, questions and answers are believed to be of general interest to all potential Offerors. All other terms and conditions remain unchanged and in full force.

Name and Title of Signer (Print or type)	Name and Title of Department Authority Name Tom Veasman Title Sr. General Services Specialist
Contractor/Offeror Signature	Department of Transportation 
(Signature of person authorized to sign)	(Authorizing Signature)
Date Signed:	Date Signed: 10/19/12

Question 1:

May we set up a time to meet in person and review example client prepared workpapers?

Response:

Quickbooks and Excel workpapers are used. We will establish a time for the awarded responsive bidder to do preliminary work.

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Question 2:

Did the MTFC receive a management letter with respect to the 6/30/12 audit and if so, can we get a copy?

Response:

Yes, we received a management letter. The management letter clearly states it is intended solely for the use of the Board of Directors and management of the Missouri Transportation Finance Corporation.

Question 3:

What journal entries, if any, were proposed by the auditors for 6/30/12 audit?

Response:

None.

Question 4:

Were there any disagreements over any technical accounting issues with the predecessor auditor?

Response:

No.

Question 5:

Please address the MTFC's readiness in adopting new GASB's to be implemented in the next three years. Has the MTFC determined the impact to the financial statements?

Response:

All GASB statements are reviewed prior to implementation to determine the impact to the financial statements. GASB statements are implemented by the required deadlines.

Question 6:

Has there been any change in key personnel from the prior year or are there any pending changes in key accounting staff and personnel?

Response:

No.

Question 7:

Does the MTFC have documented policies and procedures as it pertains to internal controls over its significant transaction cycles (for example, purchasing and disbursements, revenues and receivables)?

Response:

Yes.

Question 8:

Does the MTFC use any service centers for processing transactions and if so, for what purpose? Do the service providers provide a SSAE 16 report?

Response:

Yes, a bank is utilized for checking and investments. No.

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Question 9:

Please provide the audit fees for each of the last three years.

Response:

\$9,800 for each of the past three years.

Question 10:

Were there any other payments for additional services paid to the audit firm during each of the last three years? If so, please describe the nature of these services and fees associated for each service provided.

Response:

No.

Question 11:

How many auditors are working on-site for interim and final fieldwork and for how long?

Response:

Interim work was conducted through email. Final fieldwork was up to three auditors for a maximum of three days and a minimum of one to two auditors for two days.

Question 12:

Any significant changes expected for the 2013 year?

Response:

No.

Question 13:

How many loans were issued during the 2012 fiscal year, and what was the total dollar amount? Do you anticipate a similar number in 2013?

Response:

Seven loans totaling \$18.9 million were disbursed. Two existing loans had additional disbursements totaling \$3.0 million. Currently there are four loans totaling \$12.0 million scheduled to be disbursed in fiscal year 2013.

Question 14:

Section (2) (B) – Comprehensive Annual Financial Report (CAFR) – the Offeror is required to provide enumerated information to MTFC within 60 calendar days of the fiscal year close. How soon after fiscal year end will MTFC provide a draft of the CAFR for the auditor's review?

Response:

The first draft of the CAFR will be available the last week in July.

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Question 15:

Section (2) (B) discusses potential additional consultant work. Does MTFC anticipate any such work during the contract period and, if so, what would be the timing and nature of such work and possible range of anticipated hours required?

Response:

No.

Question 16:

Are Exhibits C and D of the RFP required to be completed and submitted with the proposal or are they to be completed and submitted at the time of contract negotiation or a later date?

Response:

These forms are typically submitted with the proposal, but not submitting them initially would not be grounds for refusing your proposal.

Question 17:

Does MTFC anticipate any significant changes to its operations during the contract and extension periods?

Response:

No.

Question 18:

Which firms have been invited to respond to the RFP?

Response:

Deloitte & Touche	KPMG
Evers & Company	Daniel Jones & Associates
Ernst & Young	Price Waterhouse Coopers
Williams Keepers	Grant Thornton
McGladrey	Brown Smith Wallace
BKD	Rubin Brown

The solicitation was also placed on MoDOT's website.