



ADDENDUM NO. 3

TO: All Prospective Proposers

FROM: City of Mandeville, Finance Department

DATE: September 5, 2025

SUBJECT: Addendum No. 3 to Request for Proposals (RFP) for Independent Auditing Services

This Addendum is issued to provide the final clarifications and official answers to all written inquiries received for the above-referenced Request for Proposals (RFP). This is the final addendum that will be issued for this solicitation.

ALL PROPOSERS ARE REQUIRED TO ACKNOWLEDGE RECEIPT OF ADDENDUM NO. 1, ADDENDUM NO. 2, AND THIS ADDENDUM NO. 3 IN ATTACHMENT A, THE PROPOSAL CERTIFICATION FORM. FAILURE TO DO SO MAY RESULT IN THE PROPOSAL BEING DEEMED NON-RESPONSIVE.

All other terms, conditions, and specifications of the original RFP document shall remain in full force and effect. The **Proposal Submission Deadline remains September 10, 2025.**

Final Questions and Answers

(This section continues the question and answer sequence from Addendum No. 2.)

Question 22: In Addendum 1, the answer to Question 1 indicates the estimated fee under the engagement letter was \$60,500 . Were there additional fees paid beyond the estimated fee, and if so, what was the amount and reason for additional fees? Were there out-of-scope accounting or consulting fees paid in addition to the audit, and if so, how much and for what purpose?

Answer: Yes. The City ultimately paid approximately \$139,000 for the FY 2024 audit. The final billing reflects additional audit hours associated with the late issuance of the audit report. The primary factor contributing to the delay was challenges with fixed asset reconciliation. To address this, the City has issued a separate capital asset management RFP to resolve those reconciliation issues going forward . No other out-of-scope accounting or consulting fees were incurred beyond this audit engagement.

Question 23: Does the City intend to prepare the required supplementary information, which includes management discussion and analysis, and the other supplementary information included in the financial statements that are not part of the basic financial statements?

Answer: Yes. City management is responsible for preparing the Management's Discussion & Analysis (MD&A) and other Required Supplementary Information (RSI). City staff will provide the draft MD&A and RSI based on internal records and actuarial inputs. The auditor will review these sections, perform the limited procedures required under auditing standards, and assist with formatting—but does not express an opinion on them .

Question 24: Does the City prepare all the schedules to support the following balances reported in the financial statements: a. Capital assets, depreciation or amortization, including leases and SBITA b. Net pension liability per GASB 68 for each pension plan c. Other post-employment benefit liability per GASB 75 d. Compensated absences liability including restatements due to implementation of GASB 101

Answer: As a general rule, City staff prepares the schedules supporting these balances using internal records and actuarial valuation data. The auditor will audit these schedules and provide assistance with conversion entries, supplemental schedules, and disclosures as part of the audit engagement. Specifically:

- **Capital Assets & Depreciation:** City staff prepares capital asset and depreciation schedules; the auditor assists with functional allocation and with amortization schedules for leases (GASB 87) and subscription-based IT arrangements (SBITA, GASB 96).
- **Net Pension Liability (GASB 68):** Staff compiles schedules from actuarial and plan data; the auditor assists with adjustments, disclosures, and RSI presentation.
- **OPEB Liability (GASB 75):** Staff compiles valuation-derived schedules; the auditor assists with adjustments, disclosures, and RSI presentation.
- **Compensated Absences (including GASB 101):** Staff calculates and provides liability amounts; the auditor assists with conversion entries and required disclosures.

CLAY MADDEN
MAYOR

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Question 25: For assistance with new and upcoming GASB standards, the RFP lists GASB 103 with the title "Infrastructure Asset Reporting"; however, the correct title for GASB 103 is "Financial Reporting Model Improvements." Will you need specific assistance with infrastructure asset reporting and if so for what fiscal year end?

Answer: Thank you for pointing out the typo. The correct title for GASB Statement No. 103 is

Financial Reporting Model Improvements. The reference to "Infrastructure Asset Reporting" in the RFP was an error. The intended scope remains unchanged: the selected firm should provide technical guidance on all new and upcoming GASB standards applicable to the City.

END OF ADDENDUM 3