

**Henry P. Roybal**  
*Commissioner, District 1*

**Miguel M. Chavez**  
*Commissioner, District 2*

**Robert A. Anaya**  
*Commissioner, District 3*



**Kathy Holian**  
*Commissioner, District 4*

**Elizabeth Stefanics**  
*Commissioner, District 5*

**Katherine Miller**  
*County Manager*

September 6, 2016

**SANTA FE COUNTY**  
**INTERNAL AUDITING SERVICES**

**RFP #2017-0051-FI/IC**

**ADDENDUM #1**

Dear Offerors,

This addendum is issued to reflect the following immediately. It shall be the responsibility of interested offeror to adhere to any changes or revisions to the RFP as identified in this Addendum No. 1. This documentation shall become permanent and made part of the departmental files.

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*On August 26,, 2016 Santa Fe County held the pre-proposal conference for the above referenced Request for Proposals (RFP). Listed below are questions received via email.*

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Question 1: What are the approximate hours that SF County plans to require during the first contract year under this engagement?

Response 1: Santa Fe County anticipates maintaining a schedule of quarterly internal audits. The hours needed for these audits will depend on the specific audit plan developed for each and can't be estimated.

Question 2: Is there an audit plan in relation to this procurement? Who will be responsible for the audit plan? Will SF County identify projects based on risk and/or on priority?

Response 2: Santa Fe County anticipates maintaining a schedule of quarterly internal audits. The Finance staff person appointed to the Audit Committee or her/his designee will be responsible for working with the successful bidder on each audit. Santa Fe County will identify projects based on a priority, however, if it is later determined that an audit is needed to address a specific risk, the priorities will be re-evaluated and revised as necessary.

Question 3: Who will the contractors report to during the course of the contract? Does the County currently have an internal audit department that the service provider would work with?

Response 3: The successful bidder will primarily work with the Finance Division staff member appointed to the Audit Committee (or her/his designee) but may also work with other members of the Audit Committee. Santa Fe County does not have an internal audit department. Santa Fe County does have an internal audit committee that the service provider would work with and report to. Final reports will be presented to the Audit Committee but may additionally be presented to the Board of County commissioners.

Question 4: Have you identified COSO as your control based framework? If yes, have you assessed compliance with the new COSO 2013 guidance?

Response 4: Santa Fe County has not formally adopted the COSO framework for internal control.

Question 5: Are you looking to have the awarded firm assist with performing your enterprise wide risk assessment procedures? If no, do you need the awarded firm to review your existing risk assessment results and internal audit plan?

Response 5: Santa Fe County may wish to engage in an enterprise wide risk assessment.

Question 6: Do you have an estimated budget in hours and/or fees that you have allocated per year for the internal audit services?

Response 6: Santa Fe County has appropriated \$60,000 for internal audit services in FY 2017.

Question 7: As we are currently unaware of what internal audits would be in scope, is it acceptable to only provide the County the rate per level and the “typical” resource leverage mix?

Response 7: It is acceptable to provide the County with a rate per level and the “typical” resource leveraging mix or alternatively a blended rate can be proposed.

Question 8: Is this the first internal audit plan prepared for the County or a renewal of an expiring contract for internal audit services?

Response 8: The County currently has a contract with a firm for these same internal auditor services that will be expiring soon.

Question 9: What transition issues would the County be concerned with if the audit is awarded to a new vendor?

Response 9: None.

Question 10: Can you please define the reporting structure for the vendor selected?

Response 10: The successful bidder will primarily work with the Finance Division staff member appointed to the Audit Committee (or her/his designee) but may also work with other members of the Audit Committee. Final reports will be presented to the Audit Committee but may additionally be presented to the Board of County Commissioners.

Question 11: Please confirm that the work is required to be carried out in conformance with AICPA Consulting Standards and/or the IIA Standards for Internal Auditing.

Response 11: Confirmed.

Question 12: Are you looking to have technical testing done for the IT environment (internal vulnerability assessment and/or external penetration test)?

Response 12: No.

Question 13: Have there been any known frauds or material control breakdowns with the County that would impact a firms approach?

Response 13: None that we are currently aware of.

Question 14: Are there any known control or regulatory issues that we should be aware of?

Response 14: None that we are currently aware of.

Question 15: Does the County expect any significant change in operations/information technology in the upcoming future that would impact a firms approach?

Response 15: None expected.

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Please add this Addendum #1 to the original bid documents and refer to bid documents, hereto as such. This and all subsequent addenda will become part of any resulting contract documents and have effects as if original issued. All other unaffected sections will have their original interpretation and remain in full force and effect.

Proponents are reminded that any questions or need for clarification must be addressed to Iris Cordova, Senior Procurement Specialist at [icordova@santafecountynm.gov](mailto:icordova@santafecountynm.gov).