

**HOUSING AUTHORITY OF THE CITY OF NORTH CHARLESTON
REQUEST FOR PROPOSALS-AUDITOR SERVICES RFP. No 260415**

ADDENDUM #1-ISSUED MAY 6, 2026

RESPONSE TO QUESTIONS RECEIVED

The following is in response to questions received regarding the Request for Proposal for Auditor.

Question #1: How many auditors typically come onsite for fieldwork?

Response: North Charleston Housing Authority does not require a certain number of weeks or the number of representatives present. This will be left to be determined by the individual auditing firm.

Question #2: Are you able to provide the fees paid for audit services for each of the past three years? Please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.

Response: \$32,200 per year. No additional billings

Question #3: Is the incumbent firm allowed to propose?

Response: Yes, the incumbent firm is allowed to propose.

Question #4: What are the expectations for performance of the fieldwork? Any preference as to whether the work is performed remotely, on-site, or a hybrid model? If on-site work is required, what are the expectations for weeks or days on-site?

Response: Hybrid model. Typically auditors spend a couple of days on-site to audit the invoices, and files they selected.

Question #5: Are audit presentations typically conducted remotely or in person?

Response: Audit presentations are typically conducted remotely.

Question #6: Does management prepare the annual Management's Discussion and Analysis section?

Response: Yes.

Question #7: What general ledger package does NCHA use?

Response: PHA Web

Question #8: Can NCHA provide a typical timeline for interim fieldwork, final fieldwork, draft report delivery, and board presentation?

Response: Interim fieldwork: By September.

Final Fieldwork: October – December.

Draft report delivery and board presentation: January – February.

Question #9: When are the trial balance and supporting schedules typically available to the auditor?

Response: After the unaudited submission is done. Typically by September 16th.

Question #10: Is there anything about your current audit process that you would like changed in the future?

Response: No

Question #11: What are the three biggest challenges affecting NCHA?

Response: 1. Increased utility costs.

2. Increased Maintenance and operation costs.

3. Increase interest expense.

Question #12: Have there been any disagreements between management and your independent auditor during the prior three engagements?

Response: No, there have not been any disagreements between management and our current independent auditor during the prior three engagements.

Question #13: Did the incumbent auditors meet the pre-determined? If not, what was the reason?

Response: Yes, the incumbent auditors met the pre-determined.

Question #14: Are there any recent or pending significant organizational, governance, or administrative changes in NCHA that will have an impact on the audit process moving forward?

Response: No

Question #15: Have there been any significant changes in programs, funding sources, service providers, or accounting systems within the last two fiscal years or anticipated during the contract period?

Response: No significant changes.

Question #16: Does NCHA anticipate any leases subject to GASB 87 or SBITAs subject to GASB 96 that will need to be considered for the contract period?

Response: There is an analysis for GASB 87 and SBITAs each year.

Question #17: Has NCHA considered the changes necessary for adoption of GASB 103, Financial Reporting Model Improvements?

Response: Yes, NCHA has considered the changes and will.

Question #18: Can NCHA confirm whether the discretely presented component units will be audited by a separate audit firm or coordinated through the selected auditor? If separate, will the reports be available for review during the audit?

Response: Yes. Phoenix, Horizon Village and Verde Villas have separate audits. They will be available for review during the audit.

Question #19: For the mixed-finance and LIHTC properties, are separate LIHTC partnership audits and tax credit cost certifications being performed by others, and what level of reliance (if any) is expected by the NCHA auditor?

Response: Separate tax credit audits and cost certifications were performed at inception, but currently the audited financial statements are relied on.

Question #20: Have there been any recent or pending RAD conversions, PBV amendments, or material financing changes since the FY 2025 audit that the proposer should specifically plan for in FY 2026?

Response: No

Question #21: Can NCHA clarify what types of circumstances it considers appropriate for fee renegotiation, such as significant changes in federal funding levels, additional properties, or new program awards?

Response: This is not common. Perhaps a situation where there are additional programs or properties. But this is not expected.

Question #22: Do you typically have adjusting journal entries as a result of the audit? If so, how many do you typically have?

Response: Not too many. About 3 on average.