

**Addendum No. 1**  
**RFP-17-176**  
**PERFORMANCE AND FISCAL AUDITS OF**  
**THE DEPARTMENT OF TRANSPORTATION**  
October 19, 2017

This addendum is hereby made a part of RFP-17-176 and it shall amend the said document in the following respects:

- 1) The Office of Council Services, County of Maui, has provided responses to questions submitted by prospective vendors for this RFP.

**RE: Office of Council Services, County of Maui, RFP-17-176 for Performance and Fiscal Audits of the Department of Transportation**

Subject: Response to a request for clarifications relating to the above RFP.

Q #1. **Request for Clarification:** Is there an incumbent or someone performing this work now? Has any internal audit work been performed in the past?

Response: There is no incumbent currently performing audit work relating to the Department of Transportation. Additionally, no internal audit has been performed in the past, other than what is required in the County's Comprehensive Annual Financial Report published each fiscal year.

Q #2. **Request for Clarification:** Can you clarify what a "fiscal audit" is? Does the Department intend for the Contractor to provide audited financials (i.e. under GAAS)? Is the word "fiscal" a reference to review and assess the financial situation, whether something is feasible or profitable?

Response: A fiscal audit, for purposes of this procurement, includes a review of the financial situation of the Department of Transportation to ensure funds to run the Department's Public Transit and Human Services Transportation programs are used efficiently, effectively, and according to nationwide transportation system standards.

Q #3. **Request for Clarification:** Will the County consider modifications to the General Conditions, such as a limitation of liability, intellectual property protections, clarification regarding insurance requirements, etc., which would be typical in connection with the type of services contemplated?



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Response: General Terms and Conditions are not routinely modified; however, consideration may be made depending on the circumstances and subject to legal review by the County.

Q #4. **Request for Clarification:** You mention “grants” in the RFP. How many grants does the agency have? And would the complete population be in-scope for this project?

Response: The Department of Transportation manages a grant to Maui Economic Opportunity, Inc. (“MEO”) for the Human Transportation Services program. There is a separate grant between the County and the State of Hawaii for the Air Ambulance program. The scope of this project would only include the grant to MEO.

Q #5. **Request for Clarification:** You have suggested a tight timeline to complete this review. Is the supporting documentation, as well as the staff, easily attainable?

Response: Yes, a point person will be assigned from the Office of Council Services (“OCS”) to assist the auditor in obtaining information from the Department of Transportation in an electronic format.

Q #5a. **Request for Clarification:** If there’s little room at the agency, would it be possible, or do you have any objections to, having people on the mainland assist with this project, which would also save on costs?

Response: Yes, most performance audits have been conducted off-site with visits at the start, mid-point and conclusion of the audit.

Q #5b. **Request for Clarification:** Are all documents stored on Maui, or would travel be included to Molokai and Lanai?

Response: All documents are located on Maui, therefore, travel is not required to the islands of Molokai and Lanai.

Q #6. **Request for Clarification:** Given the timeframe, a review of the routes, stops, number of vehicles, etc. will most likely be a high-level review with potentially multiple options. This normally is a very large project with many studies being performed on routes, customer outreach, and the County’s plan for expansion. Has this or will this be completed before this review? If not, what would your optimal deliverable look like for this?

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Response: A substantial amount of work relating to operations and potential expansion has already been done through Maui County's Short-Range Transit Plan. The Short-Range Transit Plan describes the existing system, provides a rider demand analysis, develops a future service plan, and proposes a financial plan. The scope of this audit would mainly focus on assessing the implementation of the plan utilizing current resources, determining if existing resources are properly deployed, analyzing additional revenue, and ensuring national best practices are followed.

Q #7. **Request for Clarification:** If awarded, would the awardee then have time to file and be compliant with the HCE requirement?

Response: The expectation is that applicants should initiate Hawaii Compliance Express system ("HCE") compliance before the time of award. HCE compliance can be lengthy at times. An awardee may be afforded a reasonable amount of time for compliance, but OCS reserves the right to disqualify an awardee if they are unable to obtain HCE compliance and meet the audit deadline.

Approval:



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MIKE WHITE, COUNCIL CHAIR  
Council of the County of Maui

Issued: October 19, 2017



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**RECEIPT**

Receipt is acknowledged for Addendum No. 1 of the solicitation entitled "Performance and Fiscal Audits of the Department of Transportation," RFP-17-176.

Please acknowledge receipt of this addendum by mailing this receipt page with your proposal to the Office of Council Services, 200 South High Street, Room 703, Wailuku, Hawaii, 96793.

Received by:

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SIGNATURE

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NAME OF FIRM

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ADDRESS OF FIRM

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DATE RECEIVED