

CHATHAM COUNTY PURCHASING DEPARTMENT

ADDENDUM NO. 1 TO RFP #21-0128-3

FOR: CPA SUPERVISION OF REVIEW OF CONSERVATOR REPORTS

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PLEASE SEE THE FOLLOWING ADDITIONS, CLARIFICATIONS AND/OR CHANGES:

These questions were submitted on the original bid for which there were no timely responses received:

1. **Question:** Can you provide an estimate of the current backlog of conservator reports?
Answer: We will be working through 852 adult conservatorships with pending or owed financial reports and 678 minor guardianships or conservatorships. The accounting firm will be tasked with the high asset reports which require a more sophisticated review.

2. **Question:** What is the current count of County personnel that are currently assigned to this process?
Answer: Currently, two employees are reviewing financial reports which is woefully inadequate.

3. **Question:** How many temporary employees does the County anticipate utilizing for this process?
Answer: The County anticipates utilizing three temporary employees for this process.

4. **Question:** Can you provide an estimate of the total number of reports the Probate Court receives during a calendar year?
 - a. Can you estimate how many Inventory and Asset Management Plan Reports are received?
 - b. Can you estimate how many Annual Returns are received?**Answer:** For purposes of this request for proposals, the number of reports referred out to the accounting firm will be limited to thirty per month. The difficulty with responding to these questions is that the Court is undertaking to track down conservators and collect reports and historical intake of reports is no indication of how many reports will be collected through this new effort. It is very important for the CPA Firm to understand that the past system in Probate Court was broken and virtually non-existent and the more current efforts have been understaffed and overwhelmed. The CPA Firm will be coming alongside a broken system and both assisting and educating a staff greatly in need.

5. **Question:** Is it the intent of the County to establish a process that is working without a backlog and reviewing reports as they are submitted?
Answer: Yes.
 - a. **Question:** Is the work expected to be performed at the same time or independently when the reports are submitted?

Answer: We will adapt the process to meet the need which will be determined in the future.

6. **Question:** Has the County secured a local funding or grant funds for this process?
- If yes, can you provide insight to the funding received?
 - If no, can you provide insight into the funding requested?

Answer: GRANT - The Court has received funding for temporary employees and has been granted approximately \$78,000 for outsourcing reports to a CPA Firm

7. **Question:** Can you provide an estimate of the digitizing process?

Answer: Each report is digitized when filed for current filings. All filings have been digitized since 2016. The funds requested for digitizing the older guardianship files were not granted; however, we are hoping to find funds elsewhere to digitize those older files with living / active guardianships / conservatorships.

- Question:** How much of a backlog currently exists?

Answer: Most files predating 2016 were / are not digitized.

- Question:** Can you provide a redacted sample of the documents currently collected in the digitizing process?

8. **Question:** Can you provide insight into the supporting documentation the CPA firm will have available to review?

Answer: The Court requires a conservator to file a completed report form with the last bank statement for each account attached. We do not require tax returns or invoices to be attached but can and do request supporting documentation when needed during the review. Occasionally a conservator will attach an invoice or estimate if there is an unusual past expense or one time future expense request.

- Question:** What constitutes appropriate support?
 - Bank Statements?
 - Tax Returns?
 - Invoices to support purchases?
 - Court records?

Answer: Each report is verified and notarized and should have the last bank statement attached. The verification and bank statement are the only support required initially. Additional documentation can be requested if the report review indicates a need for clarification, confirmation or investigation.

- Question:** Is it expected that the CPA firm will make that determination for appropriateness?

Answer: It is expected that the CPA Firm can request additional documentation from the Conservator either directly or through Court staff when needed to understand or clarify a line item or seek omitted documentation.

9. **Question:** Can you provide an overview of the findings from prior review of conservator reports? Fraud, Waste and/or Abuse?

Answer: Prior findings have been as diverse as the sizes of the assets and qualifications of the conservators. In small asset estates, the conservators often fail at every aspect of reporting from understanding, to documentation, to separation and accuracy. Some

reports are sophisticated and comprehensive. A small percentage of reviews reveal waste or abuse and removal of the conservator is the likely outcome. Examples of “red flags” are repetitive reimbursements, assets missing from one report to the next, income attributable to sale of an asset without permission, cash withdrawals or expenditures inconsistent with the Ward’s ability.

10. **Question:** Will the CPA ever be required to testify in court about the findings?

Answer: Probate Court cannot prevent an attorney or prosecutor from requiring testimony from a CPA or reviewer but referrals for prosecution and litigation are infrequent since the more immediate remedy for most transgressions is removal from responsibility and calling the bond.

11. **Question:** Can you provide insight and/or the basis for the expectation that the review process will take approximately 1 hour?

Answer: Because the forms are standardized, reviews follow a pattern which can make most reviews predictable. Probate staff has reviewed reports and finds a range of time is required but averages out to 1 hour. Reviewing reports is not an audit and the estimated time reflects the depth of review, the standardized process and forms and the fact that the final review remains with the Judge or Associate Judge.

12. **Question:** Can you provide an estimate of average amount of time the monthly Probate Court conferences last?

Answer: Thirty (30) minutes.

13. **Question:** Will the CPA be expected to perform any services related to delinquent conservators?

Answer: No. That will remain the responsibility of the Judge or Associate Judge.

14. **Question:** If the CPA firm can offer a more robust solution to provide the Probate Court with a long term solution by creating a robust system that is able to digitize, document, educate and eliminate the current backlog, is that something the CPA firm should include in its response?

Answer: So long as the resources of Probate Court are adequate to cover such a solution, Probate Court is always looking for ways to improve. The confidentiality of the files which remain on site must be considered in any solution.

October 8, 2021

DATE

MARGARET H. JOYNER
PURCHASING DIRECTOR
CHATHAM COUNTY

