

HOUSING AUTHORITY City of DERBY

**101 West Fourth Street, P.O. Box 843 Derby, CT 06418
Section 8/Housing Choice Voucher Program Phone (203) 736-3821
Fax (203) 734-0204**

REQUEST FOR PROPOSALS FOR AN INDEPENDENT PUBLIC AUDITOR TO AUDIT THE DERBY HOUSING AUTHORITY AND THREE DEVELOPMENTS AND THE HOUSING CHOICE VOUCHER PROGRAM

PURPOSE

The Derby Housing Authority (DHA) will accept proposals for its Annual Financial Audit for one-year beginning with fiscal year ending March 31, 2022, with an option to extend the agreement annually for fiscal years 2023, and 2024. It is the Authority's desire to retain and employ a duly qualified Independent Public Auditor (IPA) in order to audit the books and accounts of the Authority. All services must be in accordance with the existing rules, orders, directives, regulations and handbooks promulgated by the United States Department of Housing and Urban Development (HUD).

The services requested will be as follows and will encompass all of the Housing Authority's programs including, but not limited to Housing Choice Voucher (HCV) Program (283 units), three State Elderly Developments, Cicia Manor (40 Units), Stygar Terrace (36 Units), and Lakeview/Guardiano Terrace (30 Units). Also included is the Family Self Sufficiency Program, and the Resident Services Coordinator.

1. Audit the accounts and records of the Authority for the twelve-month period annually, in accordance with generally accepted auditing standards (as defined in Activities and Functions) and the auditing and reporting Standards for Audit Government Organizations, Programs, provisions in OMB Uniform Guidance (2.CFR.200). The audit performed should be enough in scope to enable the auditor to express an opinion on whether the financial statements fairly present the financial position of the Authority.
2. The audit report must be in a format which will be approved by the United States Department of Housing and Urban Development as detailed in the HUD Audit Guide (7476.1 REV-1), the Single Audit Act Amendments of 1996 and any relevant government regulations.
3. Upon completion of the report, enough copies should be made in order to provide each PHA commissioner and key executive staff with a copy, two copies for the HUD Field Office, required information for the Audit Clearing House and the State of Connecticut.
4. Must attend meetings, as requested, with Derby Housing Authority commissioners/staff, HUD Auditors and HUD staff and must make work papers available for a period dictated by the government.

TERMS AND CONDITIONS

All proposals shall remain valid for a period of sixty calendar days after the date specified for receipt of proposal in accordance with procurement regulations. All costs of the proposal process, interviews, contract negotiation and related expenses, are solely the responsibility of the respondent.

Derby Housing Authority reserves the right to reject any or all proposals, to waive informalities and minor irregularities, and/or modify or cancel the solicitation. Proposals which appear unrealistic in terms of management commitments or are indicative of failure to comprehend the complexity of this RFP and subsequent contracts may be rejected.

Respondents are requested and advised to be as complete as possible in their response. DHA reserves the right to:

- Contact any respondent to clarify their proposal.
- Contact any past/current clients of the respondent.
- Solicit information from any available source concerning any aspects of the proposal.
- Seek and review any other information deemed pertinent to the evaluation process.

REQUEST FOR AUDIT PROPOSALS

QUALIFICATIONS

1. Must be licensed in the State of Connecticut as a Certified Public Accountant (CPA)
2. The selected Auditor must meet the standards specified in the Standards for Audit of Government Organizations, Programs, Activities and Functions.
3. Should have previous experience auditing Public Housing Authorities and is approvable by HUD (include experience with your proposal).
- 4.

PROPOSAL REQUIREMENTS

1. Proposals shall be submitted on company letterhead and signed by the owner or an executive officer of the firm. Interested firms should have at least five (5) years of experience.
2. Proposals shall contain a copy of the organization's/firm's Business Registration issued by the State of Connecticut Division of Revenue.
3. Incorporation Certification or affidavit stating the date of partnership was established, including the names and address of corporate ownership/partners.
4. Description of the company and three (3) references should be included.
5. Professional licenses and qualifications, including resumes, of all personnel that will be dealing with this contract.
6. Each company submitting a proposal shall execute an affidavit to the effect that he or she has not colluded with any other person, firm or corporation regarding any proposal submitted. Such affidavit shall be attached to the proposal.
7. Certified Statement that neither the firm nor the members of the firm or individuals are debarred, suspended or otherwise prohibited from professional practice by a Federal, State, or Local oversight, regulatory or law enforcement authority.
8. Evidence of all appropriate and applicable insurance coverage carried by the firm or individual, including policy coverage periods.
9. Statement that the firm operated in full compliance with all applicable civil rights and non-discrimination statutes, executive orders, rules and regulations.
10. Each offeror is required to submit six (6) signed copies of their proposal at the time and date specified. Failure to include any of the above information or a proposal received after the appointed time will result in rejection of a proposal.

11. The Executive Director (or his designee), and the appointed staff will review proposals and make recommendations to the Board of Commissioners. The Executive Director (or his designee), reserves the right to award the contract to the responsible proposer whose qualifications, price, and other factors considered are the most advantageous to the DHA.
12. DHA reserves the right to waive any informality, and to reject any and all proposals. No proposal may be withdrawn after the due date. Proposals may be withdrawn prior to the due date either in person or by mail.
13. All persons submitting a proposal are encouraged to contact DHA to personally review the management operations of the Authority.

14. Required Documentation

- Executed Copy of HUD 5369-C (Certification and Representation of Offerors)
- State of Connecticut Business Registration Certificate
- Certification regarding Non-debarment, Suspension, Ineligibility and Voluntary Exclusion
- Affirmative Action Compliance Notice
- Non-Collusion Affidavit
- Statement of Corporate Ownership
- Proof of Certificate of Insurance

FORMAT OF PROPOSAL

All proposals shall include the following sections and documentation:

1. Executive Summary-Provide a brief non-technical overview of the respondent's business including the range of services offered. Respondent should provide business information reflection how and why their services meet DHA needs.
2. Company profile-Provide a history of the business and resumes of key staff to be involved in all aspects of the auditing process including the names and qualifications of all training personnel. This shall include both the company history providing general auditing services as well as its experience providing services to public housing agencies.
3. Audit Services-Describe in detail each aspect of the auditing services proposed, including the evaluations of the financials, the audit report, training of staff, and implementation of recommendations for current fiscal year and beyond.
4. References-Vendor is required to submit a minimum of three (3) housing authority references as well as a redacted sample audit report.
5. Proposed Costs-Describe in detail a breakdown of the proposed cost required for the required services. Include any and all rates, etc. necessary to calculate the final proposed fees.

PROPOSAL REVIEW

All proposals will be reviewed according to the "Competitive Proposal" process outlined in HUD procurement Handbook 7460.8 REV2 and HUD Notice PIH 90-47. Attached please find the rating system which will be used to evaluate all proposals received in response to this request for proposals.

EVALUATION CRITERIA

Comprehensive Proposal:

1. Technical Approach:

The evaluation of the proposal for this factor will be based on the Respondent's understanding and awareness of the various functions required to perform activities and

requirements of the RFP. The evaluation of the Respondent's proposal will be based upon the degree to which the Respondent has presented a quality approach to the specific dynamics of the RFP. The quality of the approach will be evaluated in terms of the Respondent's areas of staffing, proposed procedures and methodologies, the proposed work plan and schedule and the expected outcomes and deliverable as follows:

- **Responsiveness**-Proposal clearly states the respondent understands the work to be performed including a complete understanding of all state and federal guidelines applicable to public housing agencies and tax credit recipients and has the capabilities and staff to perform such services. **(30 points)**
- **Respondent's Experience**-This includes not only the firm's technical experience in representing other Connecticut public housing authorities and similarly situated clients, but the individual experience of key personnel who will be conducting the services. Respondent shall be evaluated on their submission of detailed information on Respondent experience in providing similar services to similar agencies, providing information of the Respondent's financial and audit experience. Respondents shall have a demonstrated minimum of five (5) years' experience in conducting the required services, which can be documented through the references/work experience provided. **(30 points)**
- **Work Plan**-Respondents shall be evaluated on the results of peer and external quality control reviews. **(5 Points)**
- **Peer Review**-Respondents shall be evaluated on the results of peer and external quality control reviews. **(5 Points)**
- 2. Fee Proposal
 - All Respondents shall submit a price proposal which shall include a proposed fixed fee for all services to be performed under the terms and conditions of this RFP. Any such proposal shall also indicate the rates at which such fees have been calculated. **(20 points)**

Total Possible Points-100

SCOPE OF SERVICES

The Annual Audit shall be in accordance with Generally Accepted Government Auditing Standards (GAGAS), as promulgated by the American Institute of Certified Public Accountants (AICPA), Government Auditing Standards (GAS), and those audit standards having been adopted as rules issued by the Comptroller General of the United States, and adequate in scope to demonstrate compliance with the laws of the State of Connecticut Department of Economic and Community Development.

THE INDEPENDENT AUDITOR IS REQUIRED TO PERFORM THE FOLLOWING STANDARDS:

- Plan and perform an Audit to obtain reasonable assurance the financial statements of the PHA are presented fairly in all material respects in accordance with generally accepted accounting principles. These basic financial statements shall include, but not be limited to a balance sheet and the related statements of revenues, expenses/expenditures and changes in retained earnings/fund balance and cash flows for the year then ended.
- The auditor must also determine whether the schedule of expenditures of Federal awards is stated fairly in all material respects in relation to the auditee's financial statements as a whole.
- Include an assessment of the accounting principles used and significant estimates made by the governing body or its administration and must further include such additional procedures as shall be required by any security/financing agreement, as well as an evaluation of the overall financial statement presentation.
- Any supplementary information presented shall be subjected to the auditing procedures applied in the Audit of the financial statements and an opinion rendered in relation to the financial statements taken as a whole.

- Prepare an independent Auditor's Report on financial statements and on supplementary information and schedules.
- Prepare a report on the internal control structures and a compliance report.
- Prepare a report on supplementary information schedules of federal and state financial assistance.
- Electronic submission of required report to REAC
- Conduct a face-to-face interview with the Executive Director or his designee
- Prepare a management letter recommending certain actions

The Auditor shall include the following financial reporting under GAAP required under General Purpose Financial Statements (GPFS) and/or Component Unit Financial Statements (CUFS) as applicable:

- Combined Balance Sheet-All fund types, Account Groups and discretely presented component units.
- Combined statement of revenues, expenditures and changes in fund balances-all governmental fund types and discretely presented component units.
- Combined statement of revenues, expenditures and changes in fund balances-budget and actual, general and special revenue fund types (and similar governmental fund types of the primary government for which annual budgets have been legally adopted);
- Combined statement of revenues, expenses and changes in retained earning (or equity) all proprietary fund types and discretely presented component units;
- Combined statement of cash flows-all proprietary fund types and discretely presented component units;
- Notes to the financial statements; and
- Required supplementary information.

The Auditor's reporting responsibility in audits of federal and state financial assistance is primarily driven by four levels of auditing standards and requirements that shall apply:

- Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountant;
- Government auditing standards issued by the United States General Accounting Office;
- Single Audit Act and applicable Federal OMB Circulars.
- Single Audit Policy for recipients of Federal Grants, State Grants, and State Aid and applicable State of Connecticut OMB Circulars.

STATEMENTS

The following financial statements, but not limited to, are to be reported on by the auditor. The supplemental information is included along with the basic financial statements for purposes of additional analysis and the auditor is not required to report separately thereon. The supplemental information should be subject to the auditing procedures applied in the audit of the basic financial statements taken as a whole.

- Financial Statements
- Balance Sheet
- Statement of Revenue & Expenses-Annual Contribution Contract Programs
- Statement of Changes in Surplus Accounts-Annual Contribution Contract Programs
- Statement of Changes in Financial Position-Annual Contribution Contract Programs
- Statement of Revenues, Expenses & Changes in Surplus Accounts-Other Programs & Funds
- Notes to Financial Statements
- Supplementary Information
- Combining Balance Sheet-Public Housing Programs
- Combining Statements of Changes in Surplus Accounts-Public Housing Programs
- Combining Balance Sheet-Public Housing Programs

- Combining Statements of Changes in Surplus Accounts-Public Housing Programs
- Statement of Receipts and Expenditures-Low Rent Housing Program-Annual Contributions Contract
- Analysis of General Funds Available for Reduction of Annual Contributions
- Schedule of Federal Financial Assistance

PROPOSAL SUBMISSION

Proposals should be submitted to the City of Derby Secure Bid Portal only on or before **4:00 PM, Thursday June 30, 2022**, and should be addressed as follows:

<https://www.derbyct.gov/bids>

Any questions prior to submission should be directed to:

Zuri Harris – zharris@derbyhousing.com

Subsidized Housing Coordinator

Derby Housing Authority

30 Elizabeth Street, 2nd Fl

PO Box 843

Derby, CT 06418

ATTN: PROPOSAL FOR INDEPENDENT PUBLIC ACCOUNTANT FOR AUDIT SERVICES

Office hours: Monday through Thursday 8:30 am-12:30pm, 1pm-4:00pm, Friday closed to general public

Telephone: 203-735-6652

Fax 203-734-0204

