

**REQUEST FOR PROPOSAL
FOR
FINANCIAL AUDIT SERVICES**

Prepared by
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Executive Director

RFP Available April 28, 2019

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PART I PROCUREMENT INFORMATION

The Boca Raton Housing Authority (BRHA) will accept proposals from Certified Public Accounting Firms for audit services for BRHA's annual audit services for a three-year (3) period to include the year ending December 31, 2018 through the fiscal year ending December 31, 2020.

Interested firms shall submit 10 copies of the proposal. The proposals must be submitted to the following address no later than 3:00 PM, May 27, 2019.

**John H Scannell, CPA, Executive Director
BOCA RATON HOUSING AUTHORITY
2333A W Glades Road
Boca Raton, Florida 33431**

Firms should be prepared to present cost information in an annual flat fee for each of the three one-year periods. Fee will include all REAC submissions. This will be shown as a separate line item. This fee structure should be supported by an hourly rate based upon the type and mix of personnel to be assigned to the audit.

The contract period shall be for three years and will be subject to renewal upon negotiation for continuation and approval of the Boca Raton Housing Authority's Board of Commissioners.

The Boca Raton Housing Authority reserves the right to reject any or all proposals and to select the firm, which in its judgment, best meets the needs of the Boca Raton Housing Authority. Boca Raton Housing Authority further reserves the right to terminate the contract with proper notice.

A final audit report must be completed no later than September 30 of the following year.

PART II

AUDIT OBJECTIVES AND SCOPE OF SERVICES

- A. The Boca Raton Housing Authority requires an audit in accordance with OMB Circular A-133 of the following programs:

Low Income Public Housing (LIPH): 95 units

Capital Fund Programs

Housing Choice Voucher Program (Section 8 Rental Assistance): 621 vouchers

Family Self Sufficiency Program

Boca Island East: 51 units of affordable housing

Children's Program (After-school and Summer camp) Pearl City C.A.T.S (Palm Beach County Children's Services Council Grant and other donations support this program.)

A Defined Benefit Pension Plan (Per GASB Statement No. 63) (Note: BRHA only remits the employer and employee contributions – it does not calculate any of the reported amounts in the FDS or audit. The audit firm along with the Florida Municipal Pension Trust Fund are responsible for those calculations.)

The audit is to be performed in accordance with generally accepted auditing standards and the standards for fiscal audits set forth in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act of 1984 and the Single Audit Act Amendments of 1997, and the U.S. Office of Management and Budget (OMB) Circular A-133

- B. The following financial statements shall be prepared for each of these funds: LIPH, Public Housing Capital Fund, State and Local, Family Self-Sufficiency, Community Development Block Grants / Entitlement Grants, Business Activities and Section 8 HCV.
1. Balance Sheet
 2. Income Statement
 3. Statement of Cash Flows
- C. The audit will be a financial and compliance audit as required by the Department of Housing and Urban Development (HUD).
- D. The statements must be ready for publication by September 30th of the following calendar year. Submission to REAC/HUD will meet all HUD guidelines.
- E. Accompanying the financial statements, the Auditor will submit a Management Letter with Comments and Recommendations, if applicable.
- F. The Auditor will comply with all HUD guidelines and requirements existing and those that will or may affect future years of this contract.
- G. The Audit shall comply with all HUD rules, regulations and guidelines. Each audit report shall contain at least the following:
1. The annual financial statements and any supplementary data required within the scope of the audit.
 2. The auditor's study and evaluation of the entity's system of internal accounting control. The auditor's report shall identify any deficiencies uncovered and make appropriate suggestions to correct any deficiencies found and identified.
 3. Compliance matters which may have a material effect on the financial statements reported upon shall be reported. Methods of correction shall be suggested.

4. A statement that the audit was made in accordance with generally accepted government auditing standards as well as all applicable laws and provisions.
 5. The auditor in charge will conduct an exit conference with the Executive Director and staff. At the exit conference findings and recommendations regarding compliance and internal controls shall be discussed.
- H. Data from prior years will be available upon request; there are no open audit findings from previous years.
 - I. No Audit shall be published until the draft submitted is approved by the Board of Commissioners.
 - J. The Consultant shall also submit to the Federal Clearinghouse the data collection form, SF-SAC, Data Collection Form for Reporting on Single Audits, and one copy of the reporting package (as defined in OMB Circular A-133, Section .320). A copy of the reporting package submitted to the Federal Clearinghouse for the Single Audit shall also be submitted to the local HUD office if required.
 - K. NOTE: BRHA is currently gathering information on the possibility of repositioning its LIPH which may or may not occur during the term of this RFP (2018 – 2020).

PART III BOCA RATON HOUSING AUTHORITY'S ACCOUNTING SYSTEM

- A. The Boca Raton Housing Authority is organized under Chapter 421 of the Florida Statutes. The Authority has a Management Contract with the City of Boca Raton to provide management services to the Authority.
- B. BRHA receives approximately \$7,400,000 in federal funds, \$780,000 in rent collections and \$250,000 from grants and donations.
- C. There are approximately 20 full and part-time employees who are employees of the Boca Raton Housing Authority.
- D. The housing authority records are fully computerized; the Authority uses Tenmast Inc. Software.
- E. There are 5 bank accounts: 1 general fund, 1 Section 8 fund, 2 security deposit accounts and 1 FSS Escrow account.
- F. The Authority's accountant will prepare the general ledger and subsidiary ledgers and trial balances for each fund open during the audit period. Additional supporting schedules where appropriate will be prepared to assist the audit process. Staff will be available to answer questions and to locate documents as needed. Staff will be available to make copies as required.

PART IV INFORMATION TO BE INCLUDED IN THE PROPOSAL

- A. Describe the experience in auditing programs, activities and functions funded by Dept. of HUD. Indicate the number of years each person who will be assigned to the audit has worked in this area.
- B. State whether your audit organization is national, regional or local. State the local address of your firm.
- C. Affirm that your audit organization is properly licensed for public practice as a certified public accountant.
- D. Affirm that your organization meets the independence requirements of Standards for Audit of Government Organizations, Programs, Activities and Functions, published by the U.S. G.A.O. or any subsequent amendments or superseding revisions.
- E. Affirm that you/and or members of your organization have not been suspended or debarred from performing government audits, or other government activity.
- F. Provide a list of the local office's current and prior government audit clients and the year(s) of engagement.
- G. Indicate the number of people by level who will be involved in the audit.
- H. A completed and signed form HUD-5369-A, Representations, Certifications, and Other Statements of Bidders.
- I. A signed Certification and Representations of Offerors for Non-Construction Contract (form HUD-5369-C).

AUDIT APPROACH

Describe your technical approach to the audit. Describe your understanding of the work to be performed and your firm's ability to meet the time deadlines as written.

REFERENCE LIST REQUIREMENT

Client Reference: List the contact information for housing authority and/or government audit client references.

OTHER INFORMATION

Include any other information, which may be helpful to the Authority in evaluating your firm's qualifications, including peer reviews within the past three years. Also describe any regulatory action taken by any oversight body against the proposing audit organization or local office.

The selection of a firm to conduct the audit will be made based on qualifications, experience with Single Audits and cost. Interested parties may contract John H Scannell, CPA, Executive Director, regarding questions about this proposal at (561) 367-6100.

APPENDIX I

POINT VALUES FOR EVALUATION CRITERIA

AUDIT RFP

<u>CRITERION</u>	<u>MAXIMUM POINTS</u>
Experience in auditing similar entities	30
Organization size and structure; firm’s participation in AICPA-sponsored or comparable Quality control programs	5
Firm’s understanding of the work to be performed	5
Firm’s ability to complete work on time schedule described	15
Government auditing experience of persons assigned to the audit	10
Relevant education background of individuals to be Assigned, including seminars and courses within the last three years	5
Specialized skills, training or background in public financing by assigned individuals	5
Fee Proposed	<u>25</u>
TOTAL	100

6. HUD REPRESENTATIONS

- 6.1 HUD Form 5369-A – Representations, Certifications, and Other Statements of Bidders. Proposer shall review and sign this form and agree to incorporate the form into any subsequent contract with the Authority.
- 6.2 HUD Form 5369-B – Instructions to Offerors Non Construction. Proposer shall review the Form and agree to comply with the terms and conditions described therein.
- 6.3 HUD Form 5369-C – Certifications and Representations of Offerors. Proposer shall review and sign this form and agree to incorporate the form into any subsequent contract with the Authority.
- 6.4 HUD Form 5370-C – General Conditions for Non-Construction Contracts. Proposers shall review the Form and agree to comply with the terms and conditions described therein.

APPENDIX II

TENTATIVE SCHEDULE FOR SELECTION AND AWARD

1. Public Advertisement: Sun Sentinel April 28, 2019 and May 5, 2019.
2. Release of RFP
3. Responses due by 3 PM, May 27, 2019.
4. Proposals reviewed by BRHA
5. If requested, oral presentations will be scheduled by the BRHA Board of Commissioners and may or not include all firms
6. The BRHA Board of Commissioners will select the firm at the regular meeting scheduled to be held on May 29, 2019