



Department of Procurement Administration

**100 S. Arch Street
Little Rock, Arkansas 72201
(501) 340-4821
www.mhapha.org**

**January 14, 2020
Addendum # 1 to all Offerors**

Reference: RFQ # MHA-2020-13

Issue Date: January 11, 2021

Original Closing Date and Time: February 11, 2021 at 2:00 p.m. (CST)

The above solicitation is hereby changed/updated as follows:

Item #1: The following is a list of questions submitted and answers in reference to the RFP.

1. Does MHA want fees to be included in a separate document, or is it acceptable to include the fees in the technical proposal? If so, which tab would you like bidders to include the fees?
 - a. The fees are not required to be submitted in a separate document. Responders can place the fee sheet as the last page in the Attachment A, Form Proposal section.
2. Have there been any significant changes in your operations, programs or personnel recently or contemplated for the future that would impact the scope of services as compared to prior contracts for the same work? (Ex: changes in the audit process or those involved with the process, current year budget vs. prior year budget?) No significant changes from 2019 to 2020.
 - a. However, ongoing changes that involve operations, programs and/or personnel is a program approved by HUD and implemented in 2018 is called the Rental Assistance Demonstration Program. More information can be found on our website under the Housing Program section "[Rental Assistance Demonstration](#)".
3. What are the most challenging aspects of the audit process for MHA and specifically the accounting and finance team? For example, how has COVID affected the audit process? Is there anything you would like to see done differently? The transition to a remote audit had a few expected delays, over all the process was workable and considered to be customary considering the COVID-19 conditions. No

4. What software does MHA use? Tenmast
 - a. What version is it? 4.31.1
 - b. Does it have remote access? Yes
5. Are any of the accounting functions outsourced to another accounting firm? If so, which functions? Payroll
6. Is there any specific expertise and advice the organization looking for that it may not be receiving from its current provider?
7. What is management's and the board's view on the desirability of transitioning to new auditors? The agency will consider all proposals submitted.
8. Is the current provider bidding on the engagement? Yes.
9. In an effort to understand the level of effort currently exerted by the incumbent auditing firm, please provide:
10. Prior year audit fees – \$30,100.00
 - a. Elm Street \$10,000
 - b. Homes of Granite Mountain \$10,000
 - c. LRHA 10,100
11. Schedule of auditors in the field, if known (ex: 2 people for 2 weeks in November) 2-5 for two to three months.
12. Other than the HUD forms listed on page 4 of the RFP, where can bidders download the additional forms? The RFP states there are attachments; however, nothing is attached to the solicitation. Specifically, Attachment A: Form of Proposal; Attachment C: Profile of Firm Form; Attachment D: Certification of Small, Minority and Women Owned Business Professionals; Attachment F: MHA Sample Contract; Attachment H: Addendum; and, Attachment I: Conflict of Interest.

Item #2: Disclosures attachments requirement clarifications and forms. [HUD Clips](#) will provide all current HUD required forms.

1. Attachment A: Form of Proposal – Is the vendor response to the RFP. This document is created by the respondent.
2. Attachment C: Profile of Firm Form – This section will include your firm's organizational chart and portfolio of the staff members that will be engaged in the service agreement.
3. Attachment D: Certification of Small, Minority and Women Owned Business Professionals – will be the formal [certification](#) as provided by the Arkansas Economic Development Commission "AEDC". A self-certification can also be made by using the form HUD 5369 A.
4. Attachment F: MHA Sample Contract – Enclosed
5. Attachment H: Addendum – Enclosed
6. Attachment I: Conflict of Interest - Full Disclosure and Non-Collusive Affidavit - Enclosed

Attachment F: MHA Sample Contract

SECTION A

CONTRACT AWARD FORM

CONTRACT # (Assigned)

Job # MHA -2020-13

Financial Compliance & Audit Services

SAMPLE CONTRACT AWARD

1. Contract Number: (Assigned)

2. Effective Date:

3. Solicitation No./Project Title: 2020-13 / Financial Compliance & Audit Services

4. Name and Address of Contractor:

5. Issued by:
Metropolitan Housing Alliance
100 S. Arch St.
Little Rock, AR 72201

6. Contract amount: The Metropolitan Housing Alliance shall pay the contractor for the performance of the contract, subject to additions and deductions as provided in the Form HUD 5369-B, the sum of: _____

7. Accounting Code:

8. Payment will be made by:
Little Rock Housing Authority
Accounting and Finance Division
100 S. Arch St
Little Rock, AR 72201

9. TABLE OF CONTENTS

SEC	DESCRIPTION	(PAGES)	SEC.	DESCRIPTION	(PAGES)
A	CONTRACT AWARD FORM	TDB	F	DELIVERIES OR PERFORMANCE	1
B	SUPPLY/SERVICE & PRICE	TBD	G	CONTRACT ADMIN. DATA	1
C	STATEMENT OF WORK/SPECS.	TBD	H	ATTACHMENTS	TDB
D	PACKING & MARKING	1			
E	INSPECTION & ACCEPTANCE	1			

10. AWARD. This instrument, together with all documents enumerated in **9. TABLE OF CONTENTS** form the **CONTRACT**.

CONTRACT # _____ (cont.)
Page 2

11. IN WITNESS WHEREOF, the parties hereto have caused THIS INSTRUMENT to be executed in three (3) original counterparts as of this day and year first above written.

Metropolitan Housing Alliance
100 S. Arch St.
Little Rock, AR 72201

Name of Contracting Officer: _____

Signature of Contracting Officer: _____ Date: _____

ATTEST: _____ Date: _____

CONTRACTOR: _____ TAX I.D. # _____

Name and Title of Authorized Signer _____

Signature of Authorized Signer: _____ Date: _____

ATTEST: _____ Date: _____

12. CERTIFICATIONS

I NAME certify that I am the POSITION _____
of the corporation named as the CONTRACTOR herein: that NAME
who signed this CONTRACT on behalf of the CONTRACTOR, was then POSITION of said
corporation; that said CONTRACT was duly signed for and in behalf of said corporation by
authority of its governing body, and is within the scope of its corporate powers.

Title: _____

By: _____

(Corporate seal)

SECTION B

SUPPLY/SERVICE & PRICE

SECTION C

STATEMENT OF WORK

1. As per the RFP # MHA 2020-13 Financial Compliance Audit services
2. As per Addendum # _____

SECTION D

PACKAGING & MARKING

NOT APPLICABLE THIS CONTRACT

SECTION E

INSPECTION AND ACCEPTANCE

1. See Form HUD 5370-C (5/92) paragraph 9, Inspection and Acceptance.
2. Final Authority for Inspection and Acceptance is the Contracting Officer for the Metropolitan Housing Alliance

SECTION F

DELIVERIES OR PERFORMANCE

3. Performance of all services required under this contract will be in accordance with the TECHNICAL SPECIFICATIONS/ SCOPE OF WORK.
4. If the contractor refuses or fails to deliver the services within the time specified, the housing authority may, by written notice, terminate the contractor's right to proceed with other work.

SECTION G

CONTRACT ADMINISTRATION DATA

1. **Term of Contract.** This contract shall become effective on the date stated on the contract award document and shall continue in effect for the period stated in the Schedule or any exercised option periods, unless sooner terminated by the Authority, or extended by an authorized contract modification.
2. **Tax Exempt Status.** The LRHA is a State and Local Sales Tax-exempt entity pursuant to:
State of Arkansas Tax Permit #063212-84-001.
3. **Payment.** Payments will be made in accordance with LRHA policy within 30 days of receipt of Periodic Invoices for Payment.

Periodic Invoices for Payment shall, on a monthly basis, be submitted to:

LRHA Attn: Accounts Payable
100. S. Arch Street
Little Rock, AR. 72201

4. **Communication.** All correspondence, reports, etc., required to be delivered to the MHA shall, unless otherwise specified in writing, be delivered to:

Jada Johnson, Contracts and Procurement Coordinator
Metropolitan Housing Alliance
100 S. Arch St.
Little Rock, AR 72201
jjohnson@mhapha.org
501-340-4821 ext. 4834

SECTION H

ATTACHMENTS

1. INSTRUCTIONS TO BIDDERS FOR CONTRACTS (FORM HUD 5369-B)
2. REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF BIDDERS (FORM HUD- 5369-A)
3. GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS (FORM HUD-5370 C)
4. CERTIFICATION OF PAYMENTS TO INFLUENCE FEDERAL TRANSACTIONS (FORM HUD 50071)
5. FULL DISCLOSURE STATEMENT
6. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION, (FORM HUD-92010)
7. NON-COLLUSIVE AFFIDAVIT
8. SMALL, MINORITY, WOMEN-OWNED BUSINESS CONCERN
9. CERTIFICATION FOR A DRUG-FREE WORKPLACE, (FORM HUD-50070)
10. PROPOSAL SUBMISSION
11. INSURANCE
12. CERTIFICATIONS AND/OR LICENSES

Attachment H: Acknowledgement of Addenda

ACKNOWLEDGEMENT OF ADDENDA

Offeror has received the following Addenda, receipt of which is hereby acknowledged:

Addendum Number: _____ Date Received: _____

Addendum Number: _____ Date Received: _____

Addendum Number: _____ Date Received: _____

Addendum Number: _____ Date Received: _____

Addendum Number: _____ Date Received: _____

(Offerors Name)

(Signature)

(Printed or Typed Name)

Attachment I: Conflict of Interest and Non-Collusive Affidavit

FULL DISCLOSURE STATEMENT

COMPANY NAME: _____

1. Each officer or principal is to submit this Disclosure Statement, notarized (if a financial or personal interest exists, vendors are required to make a Full Disclosure and should not submit this statement).
2. If a financial or personal interest exists between the principals, officers, directors and employees of the vendor or any of their immediate family members and employees, officers and commissioners of the Metropolitan Housing Alliance and their immediate family members' full disclosure is required.

The undersigned certifies that, I, nor any members of my immediate family does not now and has not for the proceeding two years, had any interest, whatsoever, whether direct or indirect in the MHA or any of its members or officials including but not limited to the following:

- 1) Financial or business interests – meaning any interest which yields or has the potential of yielding directly a monetary or other material gain or benefit with any employees, officers and commissioners of MHA and members of their immediate families.
- 2) Personal interest – meaning any interest arising from blood or marriage or from close business association, notwithstanding whether any financial interest is involved with any employees, officers and commissioners of MHA and members of their immediate families.
- 3) Employment or services rendered as a member, official or officer of MHA.

Sole Proprietorships

Partnerships

Corporations

Owner Date

Partner Date

President Date

Partner Date

Vice President Date

Partner Date

Secretary Date

Notary Date

My Commission Expires: _____

Vendors having a financial or personal interest as described above shall make immediate, full and complete disclosure in writing to the Executive Director and/or Board Liaison of the MHA. All full disclosures must be presented on Vendor's letterhead, notarized and signed by the individual making the disclosure.

WARNING

All information is to be true and accurate. False, misleading statements or failure to provide information will disqualify vendor or contractor from bid. MHA reserves the right, based on the information provided, to determine if a conflict of interest is real or apparent and whether or not a vendor or contractor is qualified to be participating in the bidding process.

NON-COLLUSIVE AFFIDAVIT

JOB NO.

STATE OF _____

COUNTY OF _____

_____, BEING FIRST DULY SWORN, DEPOSES, AND SAYS:

That he is _____ of

_____, the Bidder that has submitted the attached bid: that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived, or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, or that of any other bidder, or to secure any advantage against the Metropolitan Housing Alliance or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Signature of Bidder

Partner's Signature

Partner's Signature

Subscribed and sworn to before me this _____ day of _____, 20_____.

My Commission Expires _____, 20_____.

Notary

REQUEST FOR PROPOSALS
For
FINANCIAL COMPLIANCE & AUDIT SERVICES
FOR
Little Rock Housing Authority DBA/Metropolitan Housing Alliance
AND
AFFILIATED ENTITIES



MHA
METROPOLITAN HOUSING ALLIANCE

GIVING EVERY STREET A NEIGHBORHOOD.
MAKING EVERY HOUSE A HOME.

Prepared by: Jada Johnson
Metropolitan Housing Alliance
100 South Arch Street
Little Rock, AR 72201

Financial Compliance & Audit Services
RFP# MHA 2020-13
Due Date and Time: February 11, 2021 by 2:00 P.M. (CST)

Date Issued: January 11, 2021

The Housing Authority of the City of Little Rock, Arkansas d/b/a Metropolitan Housing Alliance ("MHA") hereby solicits a request for proposal from independent accountants to conduct Financial Compliance and Auditing Services to MHA and its related entities as specified in this Request for Proposal ("RFP").

This RFP contains submission requirements, scope of services, period of services, terms and conditions and other pertinent information for submitting a proper and responsive statement of qualifications.

Prospective Respondents desiring any explanation or interpretation of the solicitation must request it at **least** seven (7) calendar days before the RFP response due date. The request must be in writing and addressed to Jada Johnson, at jjohnson@mhapha.org. Any information given to a prospective Respondent about this solicitation will be addressed in the form a written amendment.

The RFP response must be addressed to Mr. Kenyon Lowe, Sr., Board Chair, Metropolitan Housing Alliance, 100 South Arch Street, Little Rock, AR 72201.

Late submissions will not be accepted. Submissions will be held in confidence and not released in any manner until after the contract award. Submissions will be evaluated on the criteria stated in the RFP. Negotiations may be conducted with Respondents who have a reasonable chance of being selected for the award. After evaluation of the submission revisions, if any, the contract will be awarded to the responsible firm(s) whose qualifications and other factors considered are the most advantageous to MHA and its affiliated entities.

MHA and its affiliated entities reserve the right to accept and/or reject any and all submissions.

The MHA will receive Proposals for Financial Compliance & Audit Services until 2:00 P.M. Central Standard Time on February 11, 2021, at the email of Jada Johnson at jjohnson@mhapha.org CC: njarmon@mhapha.org .

The Request for Proposal can be obtained starting January 11, 2021 by:

1. **Online at <http://www.mhapha.org> click on the tab Business with MHA, then bid opportunities. Responders will need to check back periodically to confirm updates and addendum.**

Contact Person:

- ❖ Technical Support: Jada Johnson, jjohnson@mhapha.org

Notice: Contact with members of the MHA Board of Commissioners, or MHA officers and employees other than the contact persons shown above, prior to the execution of a contract with the selected respondent(s) could result in disqualification of your submission. Outside of the notice to provide clarification, MHA will not meet in person with anyone representing a potential provider of these services to discuss this RFP.

This does not exclude meetings required to conduct business not related to the RFP, or possible personal presentations after written proposals have been received and evaluated.

REQUEST FOR PROPOSALS
RFP# 2020-13
FINANCIAL COMPLIANCE AUDIT SERVICES

TABLE OF CONTENTS

Introduction

1. MHA's Reservation of Rights
2. Scope of Proposal/Technical Specifications
3. Proposal Format
4. Proposal Evaluation
5. Contract Award
6. Description & Activities of the Housing Authority and Its Component Units
7. Assistance Available to Proposers
8. Reports Review
9. Attachments

- Attachment A: Form of Proposal
- Attachment B: Form HUD-5369-C, Certifications Representations of Offerors
- Attachment C: Profile of Firm
- Attachment D: Certification of Small, Minority and Woman Owned Business Professionals
- Attachment E: Form HUD-5369-B (8/93), Instructions to Offerors, Non-Construction
- Attachment F: MHA Sample Contract
- Attachment G: Form HUD-5370-C (10/06), General Contract Conditions, Non-Construction
- Attachment H: Addendum
- Attachment I: Conflict of Interest Statement

INTRODUCTION

The Housing Authority of the City of Little Rock (LRHA) d/b/a Metropolitan Housing Alliance was organized on October 14, 1940. The primary goal of the Authority is to provide a decent home in a suitable living environment for families who cannot afford standard private housing. The Authority's program is administered at the local level, in accordance with state law, federal guidance and regulations.

MHA is a unit of government and its functions are essential governmental functions. The property of MHA is used for essential public and governmental purposes and is exempt from all taxes, including sales tax on all its purchases of supplies, goods and services.

MHA enters into and executes contracts and other instruments that are necessary and convenient to the exercise of its powers. MHA maintains contractual arrangements with HUD to manage and operate its low rent public housing program and administers the Housing Choice Voucher Program (commonly known as Section 8 Housing Assistance Program). MHA programs are federally funded along with development grants and rental income. Its primary activity is the ownership and management of 248 conventional public housing units. It also administers rental assistance for almost 3,161 Section 8 program voucher holders. It operates and manages its housing developments to provide decent, safe, sanitary and affordable housing to low income families, the elderly, and the disabled, and implements various programs designed and funded by HUD.

MHA has created a not-for-profit affiliate Central Arkansas Housing Corporation (CAHC). In some instances, CAHC or other related entities serve as a partners in partnerships that have been awarded low-income housing tax credits and now due to the HUD Rental Assistance Demonstration Program, CAHC receives all of the developer fees from the former public housing conversion program. MHA's affiliated entities own and operate additional units of affordable housing throughout the Little Rock.

When used herein, "MHA" shall include its affiliated entities.

In an effort to provide efficient and effective services, MHA and its affiliates are requesting competitive proposals from qualified independent accountants, with demonstrated professional competence and experience to conduct Financial Compliance and Auditing Services. All proposals submitted in response to this solicitation must conform to all of the requirements and specifications outlined within this document in its entirety.

1.0 MHA'S RESERVATION OF RIGHTS:

- 1.1 MHA reserves the right to reject any or all proposals, to waive any informalities in the RFP process, or to terminate the RFP process at any time, if deemed by MHA to be in its best interests.
- 1.2 MHA reserves the right not to award a contract pursuant to this RFP.
- 1.3 MHA reserves the right to terminate a contract awarded pursuant to this RFP, at any time for its convenience upon 30 days written notice to the successful proposer(s).
- 1.4 MHA reserves the right to determine the days, hours and locations that the successful proposer(s) shall provide the services called for in this RFP.
- 1.5 MHA reserves the right to retain all proposals submitted and not permit withdrawal for a period of 60 days subsequent to the deadline for receiving proposals without the written consent from the Contracting Officer.
- 1.6 MHA reserves the right to negotiate the fees proposed by the proposer entity.
- 1.7 MHA reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services.
- 1.8 MHA shall have no obligation to compensate any proposer for any costs incurred in responding to this RFP.
- 1.9 MHA shall reserve the right to at any time during the RFP or contract process to prohibit any further participation by a proposer or reject any proposal submitted that does not conform to any of the requirements detailed herein. Each prospective proposee further agrees that he/she will inform MHA's Contracting Officer in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by MHA that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve MHA, but not the prospective proposer, of any responsibility pertaining to such issue.

2.0 SCOPE OF PROPOSAL/TECHNICAL SPECIFICATIONS: MHA and its Affiliates are seeking proposals from qualified, licensed and bonded entities with demonstrated professional competence and experience to conduct Financial Compliance and to provide the following detailed Audit Services:

2.1 General Requirements

- 2.1.1 Any audit that is performed by award of this RFP shall be performed in accordance with generally accepted auditing standards, and will additionally require compliance testing and a study of internal accounting controls. The successful proposer will be required to certify that each and every audit is performed in

accordance with all applicable federal and state laws and regulations, and in accordance with Generally Accepted Accounting Principles (GAAP).

2.1.2 MHA and its component units require annual audits.

- The period of the first audit: January 1, 2020 to December 31, 2020
- The period of the second audit: January 1, 2021 to December 31, 2021
- The period of the third audit: January 1, 2022 to December 31, 2022

Subsequent audits will be assigned at the option of the Housing Authority, for up to two (2) one-year extensions for a possible total maximum of five years.

2.1.3 The auditor will be required to perform work in order to have completed audit reports timely. The draft report must be submitted by COB on July 15, of each contract year.

Final Due

Central Arkansas Housing Corporation:	February 15, each audit year-end
Affiliates of CAHC:	February 15, each audit year-end
Metropolitan Housing Alliance:	August 1, each audit year-end

2.1.4 Once completed, the successful proposer will be required to submit to MHA a total of 10 hard copies of the Single Audit Report and electronically submit the audited statement via REAC.

2.2 The Auditor's Responsibilities: The selected offerer(s) must perform a financial and compliance audit of the MHA and all of its affiliates, regardless of Federal and other funding sources, under the Single Audit Act of 1982, the Single Audit Act Amendments of 1996, and as defined within OMB Circular A-133, and any applicable requirement of individual programs or grantees.

2.2.1 General Responsibility, A-133.500(a): The audit shall be made by an independent auditor. An "independent auditor" means (1) a state or local government auditor who meets the independence standards specified in the Generally Accepted Government Auditing Standards (GAGAS), or (2) a public accountant who meets such independent standards.

The audit shall be made in accordance with GAGAS covering financial and compliance audits. These standards mean the Standards for Audit of Government Organizations, Programs, Activities and Functions developed by the Comptroller General of the United States.

The audit shall cover the entire operations of the MHA and its related activities, or at the option of MHA, it may cover subordinate units that received, expended, or administered Federal financial assistance during the fiscal year.

2.2.2 Financial Statements, A-133.500(b): The auditor shall determine whether MHA, its non-profit corporation and its other programs, present fairly its financial position and results of its financial operations in accordance with generally accepted accounting principles (GAAP). The auditor shall also determine whether the schedule of expenditure of Federal awards is presented fairly in all material respects in relation to the MHA's financial statements taken as a whole.

2.2.3 Internal Control, A-133.500(e): In addition to the requirements of GAGAS, the auditor shall perform procedures to obtain an understanding of the MHA's internal control systems. Internal accounting and other control systems have been established to provide reasonable assurance that it is managing Federal financial assistance programs in compliance with applicable laws and regulations.

2.2.4 Compliance, A-133.500(d): In addition to the requirements of GAGAS, the auditor shall determine whether MHA has complied with federal, state, and local laws, regulations, and provisions of contracts or grant agreements that may have a direct and material impact on its financial statements and each of its major programs which are being maintained.

2.2.5 Audit Follow-up, A-1 33.315(b): The auditor shall follow -up on prior audit findings;
perform procedures to assess the reasonableness of the summary of schedule of prior audit findings prepared by MHA.

2.2.6 Data Collection Form, A-133.320 (b)(3): The auditor shall complete and sign specified sections of the data collection form.

2.2.7 Audit Reporting, A-133.505: The auditor's report shall include:

An opinion on financial statements and schedule of expenditure of Federal awards;
A report on Internal Control;
A report on compliance;
A schedule of findings and questioned costs.

2.2.8 Audit Working Papers, A-133.515:

Retention of Working Papers: The auditor shall retain working papers for a minimum of 3 years after the date of issuance of the auditor's report to MHA, unless the auditor is notified in writing by the U.S. Department of Housing and Urban Development to extend the retention period.

Access to Working Papers: Audit working papers shall be made available upon request to the cognizant or oversight agency for audit or its designee. Access to working papers includes the right of Federal agencies to obtain copies of working papers, as is reasonable and necessary.

2.2.9 Determine MHA's major programs, A-133.520.

2.2.10 Adherence to standards set forth by generally accepted auditing standards (GAAS) and the generally accepted government auditing standards (GAGAS).

2.2.11 Prepare the Audit Engagement Letter in accordance with AICPA standards. It confirms the auditor's acceptance of the appointment and documents the agreed upon scope and terms of the engagement and shall become a part of the ensuing contract between MHA and the selected auditor. The basic elements of the Audit Engagement Letter shall be:

- Names of the parties to the contract.
- Audit schedule.
- Reporting package and its format.
- Auditor/MHA relationship regarding changes in the kind or amount of work required, and access to and ownership of audit products, including:
 - At any time, MHA may, by written notice, make changes in or additions to work or services within the general scope of the agreement. If such changes are made, an equitable adjustment will be made in the cost of the audit using the rates specified in the agreement.
 - If the auditor believes that a change in or addition to work is beyond the general scope of the agreement, it must notify MHA in writing within 10 days of being notified to begin such work. The final administrative authority in settling such disputes shall rest with MHA.

Audit Work Papers: The work papers prepared by the auditor during the audit are its own property. These documents shall be retained for a period of at least 3 years after issuance of the Report. Copies of these work papers, if requested by MHA, HUD or any other governmental agency having jurisdiction to request such (i.e. Office of Inspector General), are to be made available to the requesting party within 10 days of receipt of such request. All reports rendered to MHA by the auditor are the exclusive property of MHA and subject to its use and control, according to applicable laws and regulations.

2.2.11.1 The objective of the audit is the expression of an opinion on the financial statements.

2.2.11.2 Management is responsible for the PHA's financial statements.

2.2.11.3 Management is responsible for establishing and maintaining effective internal control systems.

2.2.11.4 Management is responsible for identifying and ensuring that MHA complies with applicable laws and regulations.

2.2.11.5 Management is responsible for making all financial records and related information available to the auditor.

2.2.11.6 Management is responsible for adjusting the financial statements to correct material misstatements and for affirming to the auditor in the representation letter that the effects of any uncorrected misstatements aggregated by the auditor are immaterial, both individually and in the aggregate.

2.2.11.7 At the conclusion of the audit, the Management will provide the auditor with a letter that confirms certain representations made during the audit (Management Representation Letter).

2.2.11.8 The auditor is responsible for conducting the audit in accordance with generally accepted auditing standards (GAAS) and/or generally accepted governmental auditing standards (GAGAS).

2.2.11.9 The audit includes obtaining an understanding of the MHA's internal controls sufficient to plan the audit and to determine the nature, timing and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, the auditor is responsible for ensuring that the audit committee is aware of any reportable conditions that come to its attention.

2.2.11.10 Arrangements regarding the conduct of the engagement (i.e., timing; client assistance; availability of documents and use of specialists or internal auditors; etc.).

2.2.11.11 Arrangements involving a predecessor auditor, fees, expense reimbursement and payment schedule.

2.2.11.12 Any limitation of or other arrangements regarding the liability of the auditor or MHA.

2.2.11.13 Any other conditions under which third parties may be granted access to the auditor work papers.

2.2.11.14 Provision of services relating to regulatory requirements or other non-audit services.

2.2.12 Other services to be provided include:

2.2.12.1 The auditor must follow the PIH compliance supplement relating to the Public Housing Assessment System (PHAS).

2.2.12.2 The auditor must perform compliance testing for the Operating Fund Calculation of Operating Subsidy.

2.2.12.3 The auditor will be required to electronically transmit a copy of the audit report, footnotes and various attachments to MHA in a rich text format file (.rtf). The auditor will also be required to electronically attest to the accuracy of the audit that has been entered into the Real Estate Assessment Center (REAC) system by MHA within 7 months of MHA's fiscal year end.

2.2.12.4 The Auditor shall provide accounting and financial reporting services as needed from time to time.

All proposed work shall include any required assistance and verification that the Contractor must provide to assist and ensure the appropriate on-time submission of the audited Financial Data Schedule to HUD.

2.3 MHA's Responsibilities:

2.3.1 As defined within OMB Circular A-133:

2.3.1.1 Provide Federal program-related information: Federal awards received and expended including the CFDA title and number; award number and year; name of the Federal agency; and the name of the pass-through entity; per A-133.300(a).

2.3.1.2 Maintain internal control over Federal program that provides reasonable assurance that MHA is managing Federal awards in compliance with laws, regulations and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs; per A-133.300(b).

2.3.1.3 Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs; per A-133.300(c).

2.3.1.4 Prepare the appropriate financial statements, including the schedule of expenditure of Federal awards in accordance with A-133.310; per A- 133.300(d).

2.3.1.5 Ensure that the required audits were properly performed and submitted timely; per A-133.300(e).

2.3.1.6 Follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with OMB Circular A-133.315(b) & (c), [A-133.300(f)].

2.3.1.7 Submit the reporting package to OMB-designated Federal Clearinghouse and to its Cognizant Agency, including the Data Collection Form, (A-133.320).

2.3.2 Per 24 CFR Part 85.20:

2.3.2.1 Financial Reporting: Disclose accurate, current and complete financial results of HUD assisted Programs.

2.3.2.2 Accounting Records: Identify the source and application of funds provided for HUD assisted activities.

2.3.2.3 Internal Controls: Maintain effective controls and accountability for all assets, including accounting controls and management activities.

2.3.2.4 Budget Controls: Prepare separate budget for each HUD-assisted program, based on HUD prescribed categories, and assure that expenditures do not exceed the approved budget.

2.3.2.5 Allowable Cost: Ensure that funds are expended in accordance with program requirements, based on OMB Circular A-87 or as amended.

2.3.2.6 Source Documentation: Main source documents and files that support the financial transactions recorded in the books, providing an adequate audit trail.

2.3.3 Per Statement on Auditing Standards No. 85:

2.3.3.1 Prepare Management Representation Letter. This is MHA's written representations on financial statements under examination by the auditor. In accordance with generally accepted auditing standards (GAAS), the auditor requests this document from MHA prior to the conclusion of the audit.

2.3.4 Per 24 CFR 902.33:

2.3.3.1 Electronically submit the audited financial data to HUD's Real Estate Assessment Center (REAC) within 9 months after its fiscal year-end date.

3.0 PROPOSAL FORMAT:

3.1 Tabbed Proposal Submittal:

MHA intends to retain the successful proposer pursuant to a "Best Value" basis, not a "Low Bid" basis ("Best Value" in that MHA will, as detailed within the following Section 4.0, consider factors other than just cost in making the award decision). Therefore, MHA can properly evaluate the offers received, all proposals submitted in response to this RFP must

be formatted in accordance with the sequence noted following. Each category must be separated by numbered index dividers (which number extends so that each tab can be located without opening the proposal) and labeled with the corresponding tab reference also noted below. None of the proposed services may conflict with any requirement MHA has published herein or has issued by addendum.

3.1.1 Tab 1, Form of Proposal:

This form is attached hereto as Attachment A to this RFP document. This 1-page Form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.

3.1.2 Tab 2, Form HUD-5369-C (8/93), Certifications and Representations of Offerors, Non-Construction Contract and Conflict of Interest Questionnaire: These forms are attached hereto as Attachment B to this RFP document and must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.

3.1.3 Tab 3, Profile of Firm Form:

The Profile of Firm Form is attached hereto as Attachment C to this RFP document. This 2-page Form must be fully completed, executed and submitted under this tab as a part of the proposal submittal.

3.1.4 Tab 4, Proposed Services:

As more fully detailed within Section 2.0, Scope of Proposal/Technical Specifications, of this document, the proposer shall, at a minimum, clearly detail within the information submitted under this tab:

3.1.4.1 The work plan, including key policies and procedures, that the successful proposer will implement to provide the proposed services and the specific results that the proposer expects to affect;

3.1.4.2 If appropriate, how staff is retained, screened, trained and monitored;

3.1.4.3 The proposed quality control program;

3.1.4.4 An explanation and copies of forms that will be used and reports that will be submitted.

3.1.4.5 Each proposer shall also submit hereunder documentation pertaining to the following:

3.1.4.5.1 An affirmation that the proposing individual/firm is properly licensed for public practice as a certified public accountant in the State of Arkansas.

3.1.4.5.2 An affirmation that the proposing individual/firm meets the independence requirements of the Government Auditing Standards issued by the U.S. General Accounting Office.

3.1.4.5.3 An affirmation that the respondent does not have a record with any professional oversight board with violations of substandard audit work and is in compliance with applicable requirements for peer review and professional continuing education.

3.1.4.5.4 An affirmation that the proposing individual/firm has not been barred from doing business with the Federal government.

3.1.4.5.5 An affirmation that the proposing individual/firm does not have a conflict of interest with any of the Housing Authority's employees or Board of Commissioners.

3.1.4.5.6 Name of the Public Housing Authorities the firm has audited and within the past five years.

3.1.4.5.7 What has been the total amount of time spent on field work on each PHA audit that the firm has done.

3.1.4.5.8 What is the PIH/REAC rejection rate of the proposer's audits.

3.1.4.5.9 Has the firm had a Quality Assurance audit done by the PIH/REAC QASS division? If so, submit a copy.

3.1.5 Tab 5, Managerial Capacity/Financial Viability:

The proposer entity must submit under this tab a concise description of its managerial and financial capacity to deliver the proposed services, including brief professional resumes all persons identified within the proposed contract.

The following information shall also be included hereunder:

3.1.5.1 How experienced and credentialed the staff are that will be involved in the audit.

3.1.5.2 If the "in-charge" people (i.e. Owner/Partner; Manager / Supervisor; Senior Audit Staff; etc.) are CPA's.

3.1.6 Tab 6, Client Information:

The proposer shall submit a listing of at least 3 former or current clients for whom the proposer has performed similar or like services to those being proposed herein. The list shall, at a minimum, include:

- 3.1.6.1 The client's name;
- 3.1.6.2 The client's contact name;
- 3.1.6.3 The client's telephone number;
- 3.1.6.4 A brief description and scope of the service(s) and the dates the services were provided.

3.1.7 Tab 7, Subcontractor/Joint Venture Information (Optional Item):

The proposer shall identify hereunder whether or not he/she intends to use any subcontractors for this job, if awarded, and/or if the proposal is a joint venture with another firm.

Please remember that all information required from the proposer under the proceeding tabs must also be included for any major subcontractors (10% or more) or from any joint venture.

3.1.8 Tab 8, Section 3 Business Preference Documentation:

For *any* proposer claiming a Section 3 Business Preference, he/she shall under this tab include the fully completed and executed Section 3 Business Preference Certification Form. HUD released a notice to all Public Housing Leaders December 1, 2020. The notice made clear, the old rule at 24 CFR Part 135 has been replaced by Part 75 as of November 30, 2020. MHA will update specific requirements accordingly.

3.1.9 Tab 9, Other Information (Optional Item):

The proposer may include hereunder any other general information that the proposer believes is appropriate to assist MHA in its evaluation. If no pertinent information is to be placed under this tab, please place hereunder a statement that "NO INFORMATION IS BEING PLACED HEREUNDER."

3.1.10 If no pertinent information is to be placed under any of the tabs (especially the "Optional" tabs), please place thereunder a statement such as "NO INFORMATION IS BEING PLACED UNDER THIS TAB" or "THIS TAB LEFT INTENTIONALLY BLANK."

3.2 PROPOSED FEES:

3.2.1 **UNIT COSTS:** Each proposer must list the proposed hourly costs and the dedicated hours for each listed position. Each proposer shall also list a lump sum amount for "expenses." The ensuing total sum will be the firm fixed fee for the proposed work for each fiscal year (FY). You must list a proposed fee for each item, a "No Bid" will not be allowed for any item. If the same person from your firm will perform work for multiple positions, then we would expect that probably you will be proposing the same hourly fee for each, though such is not required.

Please note that the proposed fees submitted by each proposer are inclusive of all necessary costs to provide the proposed services, including, but not limited to: employee costs and benefits; clerical support; overhead; profit; supplies; materials; licensing; insurance; etc. Please note that each of the following positions is inclusive of all necessary clerical work.

- 3.2.1.1.1 Item #1, Lot #1, Partner/Owner: Proposed hourly fee and dedicated hours that the Partner and/or Owner will work on the audit pertaining to FY2020.
- 3.2.1.1.2 Item #2, Lot #1, Manager/Supervisor: Proposed hourly fee and dedicated hours that the Manager and/or Supervisor will work on the audit pertaining to FY2020.
- 3.2.1.1.3 Item #3, Lot #1, Senior Audit Staff: Proposed hourly fee and dedicated hours
that the Senior Audit Staff will work on the audit pertaining to FY2020.
- 3.2.1.1.4 Item #4, Lot #1, Junior Audit Staff: Proposed hourly fee and dedicated hours that the Junior Audit Staff will work on the audit pertaining to FY2020.
- 3.2.1.1.5 Item #5, Lot #1, Expenses: Total proposed fee for all expenses to allow the staff identified within the preceding 3.2.1.1 through 3.2.1.4 to complete the work pertaining to FY2020. Such expenses include, but are not limited to: travel; lodging; per diem; copying; printing; clerical; etc.
- 3.2.1.1.6 Item #6, Lot #2, Partner/Owner: Proposed hourly fee and dedicated hours that the Partner and/or Owner will work on the audit pertaining to FY2021.
- 3.2.1.1.7 Item #7, Lot #2, Manager/Supervisor: Proposed hourly fee and dedicated hours that the Manager and/or Supervisor will work on the audit pertaining to FY2021.
- 3.2.1.1.8 Item #8, Lot #2, Senior Audit Staff: Proposed hourly fee and dedicated hours that the Senior Audit Staff will work on the audit pertaining to FY2021.
- 3.2.1.1.9 Item #9, Lot #2, Junior Audit Staff: Proposed hourly fee and dedicated hours that the Junior Audit Staff will work on the audit pertaining to FY2021.
- 3.2.1.1.10 Item #10, Lot #2, Expenses: Total proposed fee for all expenses to allow the staff identified within the preceding 3.2.1.6 through 3.2.1.9 to

complete the work pertaining to FY2021. Such expenses include, but are not limited to: travel; lodging; per diem; copying; printing; clerical; etc.

- 3.2.1.1.11 Item #11, Lot #3, Partner/Owner: Proposed hourly fee and dedicated hours that the Partner and/or Owner will work on the audit pertaining to FY2022.
- 3.2.1.1.12 Item #12, Lot #3, Manager/Supervisor: Proposed hourly fee and dedicated hours that the Manager and/or Supervisor will work on the audit pertaining to FY2022.
- 3.2.1.1.13 Item #13, Lot #3, Senior Audit Staff: Proposed hourly fee and dedicated hours that the Senior Audit Staff will work on the audit pertaining to FY2022.
- 3.2.1.1.14 Item #14, Lot #3, Junior Audit Staff: Proposed hourly fee and dedicated hours that the Junior Audit Staff will work on the audit pertaining to FY2022.
- 3.2.1.1.15 Item #15, Lot #3, Expenses: Total proposed fee for all expenses to allow the staff identified within the preceding 3.2.1.11 through 3.2.1.14 to complete the work pertaining to FY2022. Such expenses include, but are not limited to: travel; lodging; per diem; copying; printing; clerical; etc.
- 3.2.1.1.16 Additional Work That May Be Required: Please note that if MHA decides that it will retain the Contractor to perform any additional related work, the labor cost of such work shall be negotiated at the applicable hourly rates detailed herein. A contractor that does not have staff based within the Little Rock area may require certain additional expenses that shall be negotiated at the following rates:
- 3.2.1.1.17 Roundtrip Airfare (Each): Will be priced at a rate allowed by the advance notice MHA gives to the Contractor (i.e. 14-day; 21-day; etc.) MHA will approve such rate prior to purchase for each such issue.
- 3.2.1.1.18 Lodging (Day): Lodging costs will be paid by MHA at the current applicable rate listed within IRS Publication 1542, which can be found at IRS.gov.
- 3.2.1.1.19 Per Diem (Day): Per diem costs will be paid by MHA at the current applicable rate listed within IRS Publication 1542, which can be found at IRS.gov.

3.2.1.1.20 Vehicle Rental (Day): Vehicle rental costs (if approved by MHA) will be paid by MHA at a reasonable rate pre-approved by MHA.

3.3 Proposal Submission:

3.3.1 Submission shall be submitted and time-stamped received in MHA's Procurement Department no later than the submittal deadline stated herein (or within any ensuing addendum). An electronic copy shall be the way of submission with a confirmed receipt option emailed to Jada Johnson at jjohnson@mhapha.org and to CC: Nadine Jarmon at njarmon@mhapha.org. the email "Subject" line must read "MHA 2020-13 Financial Compliance & Audit Services".

All RFP responses must be addressed to Mr. Kenyon Lowe Sr., Board Chair, Metropolitan Housing Alliance, 100 South Arch Street, Little Rock, AR 72201.

The proposal must clearly denote the above noted RFP number and must have the proposer's name and return address. Offerors must complete all forms included in this RFP. Failure to include all forms may result in disqualification of the Offeror's proposal. All proposals should be concise and clear, and should convey all of the information requested by MHA. Proposals should be prepared simply and economically. All proposals shall be complete and effective to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of the content.

There is no intent to limit the contents of the proposals. Offerors may include information deemed pertinent in addition to that outlined. Failure to provide all required information may result in the proposal being non-responsive.

If your proposal includes any information or materials other than the information requested in the Request for Proposals, you are to include this information as a separate appendix to your proposal. Any proposals received after the scheduled deadline, will be immediately disqualified. The Housing Authority assumes no responsibility for delivery of proposals which are mailed.

3.4 Submission Conditions:

DO NOT MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED!

Proposers are not allowed to change any requirements or forms contained herein, either by making or entering onto these documents or the documents submitted any revisions or additions; and if any such additional marks, notations or requirements are entered on any of the documents that are submitted to MHA by the proposer, such may invalidate that proposal. If, after accepting such a proposal, MHA decides that any such entry has not changed the intent of the proposal that MHA intended to receive, MHA may accept the proposal and the proposal shall be considered by MHA as if those additional marks, notations or requirements were not entered on such. By submitting a proposal, the proposer is thereby agreeing to abide by all terms and conditions published herein and by addendum pertaining to this RFP.

3.5 Submission Responsibilities:

It shall be the responsibility of each proposer to be aware of and to abide by all dates, times, conditions, requirements and specifications set forth within all applicable documents issued by MHA, including the RFP document, the documents listed within the following Section 3.5, and any addenda and required attachments submitted by the proposer. By virtue of completing, signing and submitting the completed documents, the proposer is stating his/her agreement to comply with the all conditions and requirements set forth within those documents. Written notice from the proposer not authorized in writing by MHA to exclude any of MHA's requirements contained within the documents may cause that proposer to not be considered for award.

3.6 Proposer's Responsibilities:

Contact with MHA: It is the responsibility of the proposer to address all communication and correspondence pertaining to this RFP process to the person noted by the type of means mentioned only. Proposers must not make inquiry or communicate with any other MHA staff member or official (including members of the Board of Commissioners) pertaining to this RFP. Failure to abide by this requirement may be cause for MHA to consider the proposal invalid. Questions must be submitted by email to jjohnson@mhapha.org, the subject line must read MHA 2020-13 Financial Compliance and Audit Services.

3.7 Non-Mandatory Pre-Proposal Conference:

A pre-proposal conference will not be held. Questions concerning the contents of the proposal and procedural aspects of the RFP will be answered by addendum. All Responders are encouraged to email Jada Johnson to notify the firms intent to submit a proposal. Any questions or request for information must be submitted in writing and will be provided to Responders delivering notice of intent.

Questions may be emailed to jjohnson@mhapha.org *It is the Responders responsibility to retrieve any subsequent amendments.*

3.8 Recap of Attachments:

3.8.1 It is the responsibility of each proposer to verify that he/she has the following attachments pertaining to this RFP:

3.8.1.1 Attachment A: Form of Proposal;

3.8.1.2 Attachment B: Form HUD-5369-C, *Certifications and Representations of Offerors, Non-Construction Contract; and Conflict of Interest Questionnaire*

3.8.1.3 Attachment C: Profile of Firm Form;

3.8.1.4 Attachment D: Certification for Business' Qualifying as Minority, Small and/or Woman Owned;

3.8.1.5 Attachment E: Form HUD-5369-B, *Instructions to Offerors, Non-Construction*;

3.8.1.6 Attachment F: MHA Sample Contract Form (this contract is being given as a sample only-MHA reserves the right to revise any clause herein and/or to include within the ensuing contract any additional clauses that is in its best interests);

3.8.1.7 Attachment G: Form HUD-5370-C, General Contract Conditions, Non-Construction;

3.8.1.8 Attachment H: Request for Written Response to Questions.

3.8.1.8 Attachment I: Conflict of Interest Statement and/or Disclosure.

4.0 PROPOSAL EVALUATION:

The evaluation of professional qualifications of the proposals will be based on the following criteria:

1. **Mandatory Criteria:** Proposals will not be considered for further evaluation unless they meet all of the mandatory criteria.
2. **Technical Criteria:** Those proposers who have met each of the criteria in Section 1 above will be evaluated on the following criteria:
 - A. **Responsiveness of the proposal in clearly stating an understanding of the work to be performed. (0 - 25)**
 - a. **Comprehensiveness of the approach that will be taken to ensure that all requirements are achieved. (0 - 15)**
 - b. **Realistic time estimates of each major segment of the work plans and the estimated number of hours for each staff level including consultants assigned. (0 - 10)**
 - B. **Technical experience of the firm. (0 - 35)**
 - a. **Previous audits of public housing programs, grants, nonprofits, limited partnerships and other governmental organizations. (0 - 25)**
 - b. **Management Information Systems. (0 - 10)**
 - C. **Knowledge and commitment to generally accepted accounting principles as promulgated by the AICPA, GASB and GFOA. (0 - 10)**
 - D. **Qualifications of staff, including consultants, to be assigned to the audit. Education, including continuing education courses taken during the past three years, position in the firm, and years and types of experience will be considered. This will be determined from the resumes submitted. (0 - 25)**
 - a. **Qualifications of supervisory personnel, consultants, and of the audit team doing field work. (0 - 15)**
 - b. **General direction and supervision to be exercised over the audit team by the firm's management personnel. (0 - 10)**
 - E. **Size and structure of the firm. (0 - 5)**

TOTAL MAXIMUM TECHNICAL POINTS 100

4.1 PROPOSAL EVALUATION:

1. Cost Criteria

Cost of Service (0 – 15)

TECHNICAL AND COST - MAXIMUM POINTS 115

2. Oral Interview (If Necessary)

Interview points Awarded (0 - 35)

TOTAL MAXIMUM POINTS 150

4.2 Evaluation Method:

4.2.1 Initial Evaluation: Each proposal received will first be evaluated for responsiveness (i.e. meets the minimum of the requirements). MHA Board shall evaluate each of the proposals submitted in response to this RFP.

4.2.2 Restrictions: All persons having familial (including in-laws) and/or employment relationships (past or current) with principals and/or employees of a proposer entity will be excluded from participation. Similarly, all persons having ownership interest in and/or contract with a proposer entity will be excluded from participation.

5.0 CONTRACT AWARD:

5.0.1 MHA Board shall maintain the right to select the scope of service identified in this RFP. It is MHA's intent to secure the Professional Services whereby it may assign certain accounting and financial reporting task as required.

5.1 If a contract is awarded pursuant to this RFP, the following detailed procedures will be followed:

5.1.1 Upon final completion of the proposal evaluation process, the Board will negotiate a final price.

5.1.2 An audit entrance and exit conference will be held before and after the audit. The contact person for setting up the meeting, where the meeting is to be held and the persons whom to meet will be the Interim Executive Director. The Director of Finance and Systems will be the contact persons for any other meetings to be held.

5.2 Contract Conditions: The following provisions are considered mandatory conditions of any contract award made MHA pursuant to this RFP:

5.2.1 Contract Form: MHA will not execute a contract on the successful proposer's form--contracts will only be executed on MHA's form (please see Sample Contract, Attachment F), and by submitting a proposal the successful proposer agrees to do so (please note that MHA reserves the right to amend this form as MHA deems necessary). However, MHA will consider any contract clauses that the proposer wishes to include therein, but the failure of MHA to include such clauses does not give the successful proposer the right to refuse to execute MHA's contract form. It is the responsibility of each prospective proposer to notify MHA, in writing, prior to submitting a proposal, of any contract clause that he/she is not willing to include in the final executed contract and abide by. MHA will consider and respond to such written correspondence, and if the prospective proposer is not willing to abide by MHA's response (decision), then that prospective proposer shall be deemed ineligible to submit a proposal.

5.2.2 Assignment of Personnel: MHA shall retain the right to demand and receive a change in personnel assigned to the work if MHA believes that such change is in the best interest of MHA and the completion of the contracted work.

5.2.3 Unauthorized Sub-Contracting Prohibited: The successful proposer shall not assign any right, nor delegate any duty for the work proposed pursuant to this RFP (including, but not limited to, selling or transferring the contract) without the prior written consent of MHA's Board Chair. Any purported assignment of interest or delegation of duty, without the prior written consent of MHA's Board Chair shall be void and may result in the cancellation of the contract with MHA, or may result in the full or partial forfeiture of funds paid to the successful proposer as a result of the proposed contract; either as determined by MHA's Board Chair.

5.3 Contract Period: MHA anticipates that it will initially award a contract for a period of three fiscal years, with, at the option of MHA, two additional fiscal-year periods.

5.4 Licensing and Insurance Requirements: Prior to award (but not prior to submission of the proposal) the *successful proposer* will be required to provide:

5.4.1 An original certificate evidencing the proposer's current industrial (worker's compensation) insurance carrier and coverage amount;

5.4.2 An original certificate evidencing General Liability coverage, naming MHA as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of the Little Rock Housing Authority D/B/A Metropolitan Housing Alliance as an additional insured under said policy (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$2,000,000);

5.4.3 An original certificate showing the proposer's professional liability and/or "errors and omissions" coverage (minimum of \$300,000 each occurrence, general aggregate minimum limit of \$300,000);

5.4.4 An original certificate showing the proposer's automobile insurance coverage in a combined single limit of \$500,000.00.

5.4.5 If applicable, a copy of the proposer's license issued by the State licensing authority allowing the proposer to provide the services detailed herein.

5.4.6 The requested insurance and licensing information shall also be entered where provided for on the Profile of Firm Form.

5.5 Right to Negotiate Final Fees: MHA shall retain the right to negotiate the amount of fees that are paid to the successful proposer, meaning the fees proposed by the top-rated proposer may, at MHA's options, be the basis for the beginning of negotiations. Such negotiations shall begin after MHA's evaluation panel has chosen a top-rated proposer. If such negotiations are not, in the opinion of MHA's Board successfully concluded within 10 business days, MHA shall retain the right to end such negotiations and begin negotiations with the next rated proposer. MHA shall also retain the right to negotiate with and make an award to more than one proposer, as long as such negotiation(s) and/or award(s) are addressed in the above manner (i.e. top-rated first, then next-rated following until a successful negotiation is reached).

5.6 Billing/Payment Methods:

5.6.1 Requirements Contract/Task Order Basis: Whereas MHA does not at this time know the full extent of the work that MHA will need the successful proposer to perform, the quantities listed within the cost proposal area shall be considered to be calculation factors only that will allow MHA to evaluate each proposer's cost proposal on an equitable basis.

5.6.1.1 Therefore, the proposed contract shall be considered to be a requirements contract (RC) with work ordered on a task order basis, which means that MHA will order work on an as-needed basis, and the successful proposer will provide the work pursuant to the unit costs proposed and/or negotiated.

5.6.1.2 MHA reserves the right to order any quantity of work pursuant to the proposed contract, which means that there shall be no minimum or maximum amount of work that will be ordered, either on an individual order basis or in total. However, any such work ordered will be in conformance with a MHA's approved budget, a specific not-to exceed (NTE) amount and shall not exceed the amount listed on the current contract.

5.7 Contract Service Standards: All work performed pursuant to this RFP must conform and comply with all applicable local, state and federal laws.

6.0 ASSISTANCE AVAILABLE TO PROPOSERS

6.1 The firm, BKD performed the most recent audits for the agency for the period ended December 31, 2019. The audit reports can be provided upon request.

6.2 The Director of Finance will be available to assist the individual/firm by providing information and explanations during the audit. The accounting staff of the Finance & Accounting Division will be available to assist in preparing schedules, reproducing documents and pulling documents. Data processing equipment and generalized user software are available for auditing purposes.

6.3 The Interim Executive Director will issue representation letters, if required.

6.4 Work areas, reproducing equipment and a majority of the records to be audited are located at the central office building of the Metropolitan Housing Alliance, located at 100 South Arch Street, Little Rock, AR 72201.

6.5 The U.S. Department of Housing and Urban Development (HUD) is the cognizant federal agency for the Metropolitan Housing Alliance. The Office of Inspector General will generally have auditing responsibilities within HUD.

7.0 REPORTS REVIEW

7.1 Requirements concerning procedures of reporting, frequency, special reporting, etc., are as follows:

7.1.1 During the audit, all audit findings should be disclosed and made available to the Interim Executive Director and Director of Finance in draft form.

7.1.2 An exposure draft submission will be prepared and forwarded to the Housing Authority no later than 30 days prior to the due date for review by the Housing Authority. The Interim Executive Director and Director of Finance will be responsible for reviewing and responding to the draft audit report.

7.1.3 All fraud abuse, or illegal acts or indications of such acts, including questioned costs found as the result of these acts that the auditor becomes aware of, will be covered in a separate written report and submitted in accordance with Section 8, Required Reports, as applicable.

**REQUEST FOR PROPOSAL (RFP)
FINANCIAL COMPLIANCE AND AUDIT SERVICES
LITTLE ROCK HOUSING AUTHORITY D/B/A METROPOLITAN HOUSING ALLIANCE**

Advertise Date: January 10, 2021 and January 17, 2021
Title: Financial Compliance and Audit Services
Issuing Agency Little Rock Housing Authority D/B/A Metropolitan Housing Alliance
100 S. Arch Street
Little Rock, Arkansas 72201

Period of Contract: From Date of Award through Three Years
(Renewable for two one-year terms thereafter)

Sealed proposals will be received until **February 11, 2021 until 2:00 P.M.** For furnishing the services described herein.

IF PROPOSALS ARE MAILED, SEND DIRECTLY TO THE ISSUING AGENCY SHOWN ABOVE. IF PROPOSALS ARE HAND DELIVERED, THEN DELIVER TO:

Metropolitan Housing Alliance, Department of Procurement Administration, Attention: Jada Johnson, 100 S. Arch Street, Little Rock, Arkansas 72201.

In compliance with this Request for and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the goods/services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation. The undersigned further certifies that he/she is authorized to sign this document on behalf of the submitting firm.

_____	Date: _____
Name of Firm	
_____	By: _____
Address	(Signature in Ink)
_____	Name: _____
City and State	(Print or Type Name)
_____ Zip Code: _____	Title _____
FEI/FIN NO. _____	Phone : (____) _____
E-mail: _____	Fax : (____) _____

NOTE: Changes to this RFP may be issued in the form of an addendum at any time prior to the due date and time for submitting proposals. Firms or individuals who obtain bid packages electronically are required to notify Jada Johnson at jjohnson@mhapha.org. MHA's purchasing regulations require each Offeror to submit a signed copy of the addendum per the instruction of delivery of the proposal due date and time or included with the firm's response to the solicitation.