



GRAND RAPIDS HOUSING COMMISSION

Request for Proposals

Audit and Tax Preparation Services

Date issued	May 7, 2018
Proposal deadline	5:00 pm, ET, June 8, 2018
Contact person	Linda Bigelow lbigelow@grhousing.org
Submission address	Grand Rapids Housing Commission 1420 Fuller Ave SE Grand Rapids, MI 49507

Purpose

The Grand Rapids Housing Commission is requesting proposals from qualified firms of Certified Public Accountants to audit the financial statements, and prepare tax returns as necessary, of the Commission and its affiliate corporations and partnerships beginning with the fiscal year ending June 30, 2018:

- Grand Rapids Housing Commission - fiscal years ending June 30
- Ransom Avenue Development Corporation - fiscal years ending June 30
- Mt. Mercy Limited Partnership II - calendar years ending December 31
- Sheldon Avenue Limited Partnership - calendar years ending December 31
- Campau Commons Limited Partnership - calendar years ending December 31
- Creston Plaza Limited Partnership I – calendar years ending December 31
- Creston Plaza Limited Partnership II – calendar years ending December 31

In addition, two Agreed-Upon Procedures are required, related to the submission of financial statements to HUD for the Grand Rapids Housing Commission and Ransom Avenue Development Corporation.

All questions regarding this proposal should be submitted via email to lbigelow@grhousing.org prior to 5:00 pm on June 8, 2018.

General Information about the Grand Rapids Housing Commission

The Grand Rapids Housing Commission was established by the Grand Rapids City Commission in 1966 to provide affordable housing for low-income residents. The Housing Commission currently offers several housing options for low-income residents and is funded primarily by the United States Department of Housing and Urban Development (HUD). The Housing Commission is governed by a five-member board appointed by the City Commission.

The Housing Commission currently provides housing or housing assistance to approximately 3,700 families, through various housing programs including Low Income Public Housing, Housing Voucher Program, Low Income Tax Credits, HUD-Insured Multi-Family Housing and other programs.

The Housing Commission has more than 50 full-time staff and an annual budget of close to \$30,000,000 and total assets exceeding \$58,000,000.

The Commission maintains all accounting records in-house. General ledger, accounts payable, and banking information was maintained in Sage 100, a commercially-available accounting software package, until December 31, 2017. Beginning January 1, 2018, this accounting information has been maintained in Elite, a commercially-available housing software package developed for housing authorities. Payroll information is maintained in a system by Dominion Systems. Information relating to payments made to landlords under certain assistance programs, including the Housing Choice Voucher Program, is maintained in Elite.

On a monthly basis, statements of revenue and expense and balance sheets are prepared and presented to the Board of Commissioners. Annual financial reports are prepared and submitted as required to HUD and other required reporting agencies.

The Commission's finance department consists of two staff members, both of whom will be available to answer questions and provide information during the audit engagements. Other staff members will also be available as necessary.

The most recent completed audits are for the calendar year ended December 31, 2017 and the fiscal year ended June 30, 2017. Copies of these are available upon request.

Required Services (Scope of Work)

1. Independent Auditor's Report on the Commission's combined financial statements, using generally accepted governmental auditing standards and other applicable standards and regulations. These will be prepared for the fiscal years ending each June 30th and are required to be electronically submitted to the State of Michigan no later than December 31st of each year.
2. Single Audit Report prepared under requirements of 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, applicable Compliance Supplements, and other applicable standards and regulations. This will be prepared for the fiscal years ending each June 30th. This is required to be submitted electronically to the Federal Audit Clearinghouse no later than March 31st of each year.
3. Agreed-Upon Procedures related to the electronic filing of the Commission's combined audited financial statements to HUD. The auditor shall electronically prepare and submit an attestation report comparing the data the Commission electronically submitted to HUD with the hard-copy reports. This is required to be completed by March 31st following each fiscal year that ends each June 30th.
4. Independent Auditor's Report on the financial statements of the Ransom Avenue Development Corporation prepared using generally accepted auditing standards and other applicable standards and regulations. This will be prepared for the fiscal years ending each June 30th.
5. Single Audit Report prepared under requirements of 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, applicable Compliance Supplements, and other applicable standards and regulations for Ransom Avenue Development Corporation. This will be prepared for the fiscal years ending each June 30th. This is required to be submitted electronically to the Federal Audit Clearinghouse no later than March 31st of each year.
6. Agreed-Upon Procedures related to the electronic filing of the audited financial statements of the Ransom Avenue Development Corporation to HUD. The auditor shall electronically prepare and submit an attestation report comparing the data the Commission electronically

submitted to HUD with the hard-copy reports. This is required to be completed by March 31st following each fiscal year that ends June 30th.

7. Independent Auditor's Report on the financial statements of each of the following limited partnerships prepared using generally accepted auditing standards and other applicable standards and regulations. These will be prepared for the calendar years ending each December 31st. Draft statements must be provided no later than February 15th of each year, with final statements issued no later than March 1st of each year.

- Campau Commons Limited Partnership
- Mount Mercy Limited Partnership II
- Sheldon Avenue Limited Partnership
- Creston Plaza Limited Partnership I
- Creston Plaza Limited Partnership II

(Please note that current limited partnerships may cease operations and new partnerships may be established during the contract period. The costs related to these changes will be negotiated as needed.)

8. Federal, State of Michigan, and City of Grand Rapids tax returns for each of the above listed limited partnerships including the issuance of forms K-1 to the limited partners. Draft returns must be provided no later than February 15th of each year, with final returns issued no later than March 1st of each year.

Audit Schedule

If desired by the audit firm, Housing Commission staff will be available for preliminary audit work during the period from April 15th – June 30th of each fiscal year, with an exact schedule for preliminary work to be arranged for mutually convenient days and times.

Housing Commission staff will be available for final audit field work from September 1st – November 30th of each year and as needed for the agreed-upon procedures relating to the electronic submission of financial statements to HUD. An exact schedule will be arranged for mutually convenient days and times.

Housing Commission staff will be available for field work related to the preparation of tax returns and audits for the various limited partnerships from January 15th – February 28th of each year. An exact schedule will be arranged for mutually convenient days and times.

Proposal Content and Format

In order to promote greater comparability between prospective vendors, the Commission is requiring vendors to submit proposals containing the following information:

1. Letter of Transmittal – This letter should briefly and concisely state the firm's understanding of the work to be performed. The letter should make a commitment to meet the required

deadlines and include the names of those authorized to make representations on behalf of the firm and the maximum contract fee for which this work will be performed.

2. Profile of the firm – This section should describe the firm and the location of the office to perform the audits, the number of partners, managers, and staff at that office and a description of the types of services provided to clients by that office.
3. Qualifications of the firm – This section should include a description of similar engagements performed by the firm on a local and national level. Personnel who will be working on the engagement from on-site senior to partner shall be identified including their relevant professional experience and training necessary to perform their required functions. Resumes of these individuals may be provided to fulfill this requirement.
4. Preliminary Audit Schedule – This section should contain a preliminary audit schedule, detailing the proposed start times and duration of audit work for the various audits. The final schedules will be arranged for mutually convenient dates.
5. Costs – This section should provide firm, all-inclusive fees for each of the first two years for each of the audits required. Please provide separate costs for each audit and tax return and for each year. Costs for the third, fourth, and fifth years will be negotiated with each extension.
6. Certifications and Representations of Offerors – Complete and sign form HUD-5369-C
7. Additional Information – Please provide any additional information not specifically requested, but which you believe would be useful to the Commission in evaluating your proposal.

Evaluation Criteria

A selection committee composed of selected staff members of the Commission will review the proposals. The committee will use the following criteria to evaluate all acceptable proposals:

40 points	The firm’s experience as independent auditor for other housing authorities, other HUD-subsidized multifamily properties, and/or other government agencies.
20 points	Qualifications of staff to be assigned to the engagement.
20 points	Adequacy of proposed audit plan
20 points	Total cost
100 points	Total

The Commission reserves the right to waive informalities in any proposals. The Commission also reserves the right to reject any and all proposals, if it is determined to be in the best interest of the Commission.

Proposals may be withdrawn with a written request received before 5:00 pm on June 8, 2018.