

**Housing Authority of the City of Augusta
Request for Proposal
External Auditing Services**

Introduction

The Housing Authority of the City of Augusta (Housing Authority) hereby requests proposals from qualified firms of certified public accountants to audit its annual financial statements for the five-year period beginning April 1, 2021 and ending March 31, 2026.

The Auditor will be selected by a review of the following basic factors:

1. The firm's qualifications to perform a Public Housing Authority audit.
2. The firm's planned approach to the audit.
3. The firm's proposed price for the audit.

All proposals must be submitted in accordance with the guidelines specified in this Request for Proposal (RFP). No requirement and/or specification should be construed as an attempt on the part of the Housing Authority to limit competition. However, the nature of the Housing Authority's audit requirements will necessarily result in the elimination of a number of prospective vendors.

General Information

The Housing Authority of the City of Augusta was established in 1937 under the United States Housing Act of 1937. The Housing Authority of the City of Augusta is an incorporated agency of local government which administers a number of public and subsidized housing programs throughout the City of Augusta, Georgia. The Housing Authority operates under a number of Annual Contributions Contracts with the United States Department of Housing and Urban Development (HUD). The majority of Housing Authority revenue is derived from dwelling unit rentals and federal subsidies/grants. The Housing Authority has a defined contribution pension plan funded 100% by the Housing Authority with the option for covered employees to contribute up to 10% of salary. In addition the Housing Authority has an Other Post Employment Benefit (OPEB) plan for hospitalization.

Information on the Housing Authority's funding is included in Attachment 3. As is evident from that attachment, the Housing Authority possesses a financial structure that is considered complex for this type of governmental unit.

The rules and regulations governing the execution of the audit are contained in Attachment 1, Audit Contract. The narrative which follows is intended to provide information that will guide all firms in preparation of their proposals. This narrative, the audit contract, and all additional attachments are considered part of this Request for Proposals. This narrative, Attachment 1, Audit Contract; Attachment 2, Proposal Price Form; and all requested materials will be considered part of a completed proposal.

AUDIT OBJECTIVES AND SCOPE OF SERVICES

1. The objective of the audit is to provide an opinion on the financial statements taken as a whole. The audit must meet the requirements of the Government Auditing Standards, Single Audit Act of 1997, Guidelines on Reporting and Attestation Requirements of Uniform Financial Reporting Standards (UFRS), applicable GASB statements, federal OMB Omni Circular, and literature which may amend or supersede these requirements.
2. The audit will be a financial and compliance audit.
3. The audit fieldwork should be completed by September 30 of each year, and the audit reports ready for distribution by December 1st of each year. The audited FDS submissions shall be completed by December 31st of each year.
4. The audit of the Housing Authority's financial records must be made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The audited financial statements must be prepared in conformity with Generally Accepted Accounting Principles (GAAP).
5. Accompanying the financial statements, the Auditor will submit a Management Letter of Comments and Recommendations, if applicable, for improvement of program and financial management per the Auditor's opinion after examining the Housing Authority's systems.
6. The Auditor shall submit an audit report, which shall comply with the applicable reporting standards as contained in the publications aforementioned. In addition the Auditor shall complete an IRS Form 990 for the Augusta Affordable Housing Corporation Inc., a component unit of the Housing Authority.

7. The Auditor in charge will conduct an in person exit conference with the Housing Authority's Board Chairman, Executive Director and the Director of Finance. At the exit conference, findings and recommendations regarding compliance and internal control shall be discussed. The Executive Director or a designee shall have the opportunity to respond, orally or in writing, to the findings. Any such written responses shall be included in the audit report.

Required Proposal Format

Each submitted proposal should contain all information requested in the following paragraphs.

Section I: Firm Qualifications

Each firm submitting a proposal should possess substantial experience in both governmental auditing and public housing authority (PHA) auditing. Such experience is an absolute prerequisite for acceptance of a proposal.

Each firm should include in Section I of its proposal the following items:

1. The actual audit team members and their qualifications. (10 points)
2. Evidence that the firm's auditors meet the GAO "Yellow Book" requirements for continuing professional education in the field of government accounting and auditing. (5 points)
3. Evidence that the firm meets all licensing requirements of its "home" state as well as the requirements of the state where the Housing Authority is located, along with the firm's most recent "peer review" report and any letter of comments included with that report. (5 points)
4. A certified statement that the firm or individuals assigned to the audit are not debarred from entering into contracts with HUD-funded agencies or other Federal and/or state agencies or have been the object of any disciplinary action charges the past three years, along with a copy of the audit firm's Unique IPA Identifier (UII) number and registration information. (5 points)
5. A list of six recent audit clients and the contact person for use to perform a reference verification. As far as possible, these clients should have HUD programs similar in size and scope to the ones administered by this Housing Authority. (30 points)

The Housing Authority reserves the right to reject any proposal submitted by a firm not possessing the necessary government and PHA auditing experience.

Section II. Planned Approach to the Audit

This section of the proposal should describe the auditor's plan for conducting the audit(s). Specifically, this section should include the following information: (25 Points)

1. An audit work program and schedule for the FYE March 31, 2022 audit. The FYE March 31, 2022 audit fieldwork should begin not later than during the month of August 2022.
2. A summary of the firm's planned use of personnel. This summary should describe how many hours and what level of staff are to be devoted to the various portions of the work program.
3. A summary of the auditor's planned methods of transaction sampling for the various types of transactions (purchase orders, AP checks, PR checks, etc.).
4. A statement as to the amount of assistance that will be expected from the Housing Authority staff, including schedules which will be required prior to or during the audit.

The Housing Authority reserves the right to reject any proposal that does not allow for sufficient hours to perform a reasonable audit work program.

Section III: Proposed Audit Price

Each firm should provide its proposed price for each year of the audit contract on Attachment 2, Proposal Price Form. This form will become part of the final audit contract. The Proposal Price Form requires that audit price be shown in terms of 1) Audit participants, 2) Hourly costs for each type of participant, and 3) Travel costs. (20 Points)

Instructions for RFP Submission

Prior to actual submission of proposals, any firm who wishes to meet with representatives of the Housing Authority will be allowed to do so. All such meetings must be arranged in advance and any travel costs associated with such a meeting are the responsibility of the proposing audit firm.

Completed proposals must be received by the Housing Authority no later than 5:00 p.m., Friday February 11, 2022. Proposals must include three (3) copies of the required proposal format and three (3) copies of the audit contract, all with original signatures along with one (1) copy of the firm's current state certificate.

Proposals should be identified as such on the envelope. All proposals should be mailed or delivered to the following address:

Randee Wiggins Jr., CPA, CGFM
Director of Finance
Housing Authority of the City of Augusta
1435 Walton Way
Augusta, GA 30901-2609

When the Housing Authority has tentatively selected a firm's proposal, it may request a conference in Augusta with that firm to clarify any unclear areas or discuss any prominent points concerning the proposal. Each firm choosing to submit a proposal should be willing to attend such a conference, if necessary, at its own expense. As a result of the conference, the Housing Authority may choose to modify its choice of a selected firm.

Based upon the Housing Authority's proposal review and conference, the audit contract will be forwarded along with a recommendation for contract approval to the Board of Commissioners. Upon that approval, a contract will then be executed.

The Housing Authority, reserves the right to reject any and all proposals, and to waive any informalities in the proposals received whenever the Housing Authority determines that such rejection or waiver is in its best interest. The Housing Authority also reserves the right to reject proposals from any firm who has previously failed to perform properly, or to complete on time work or contracts of a similar nature.

**Contract Between Public Housing Agency
And Independent Public Accountant for Audit Services**

THIS AGREEMENT, entered into as of the _____ day of _____,
By and between The Housing Authority of the City of Augusta, State of Georgia, (hereinafter referred to as the Augusta Housing Authority) and _____
_____ Independent Public Accountant (hereinafter referred to as the
"Auditor").

WITNESSETH:

WHEREAS the Augusta Housing Authority has entered into a contract (contracts) with the United States of America acting through the Department of Housing and Urban Development (hereinafter referred to as the "Government") for financial assistance for low-income public housing pursuant to the United States Housing Act of 1937, as amended, 42 United States Code section 1437 et seq.; and

WHEREAS, pursuant to said contract (contracts), the Government and the Comptroller General of the United States or his duly authorized representatives have the right to audit the books and records of the Augusta Housing Authority pertinent to its operations with respect to such financial assistance; and

WHEREAS, the Government has authorized the Augusta Housing Authority to procure such an audit by an Independent public Accountant in lieu of audit by the Government; and

WHEREAS, the Augusta Housing Authority desires the Auditor to conduct and perform such an audit;

NOW, THEREFORE, the Augusta Housing Authority and the Auditor do mutually agree as follows:

1. The Auditor shall annually audit the accounts and records of the Augusta Housing Authority for five (5) twelve month periods ending March 31, 2022, March 31, 2023, March 31, 2024, March 31, 2025, and March 31, 2026 in accordance with Department of Housing and Urban Development regulations, the Single Audit Act of 1997, Guidelines on Reporting and Attestation Requirements of Uniform Financial Reporting Standards (UFRS), applicable GASB statements, OMB Omni Circular, Government and Auditing Standards and the applicable federal OMB "Compliance supplement for Single Audits of State and Local Governments". An IRS Form 990 will be required to be completed annually for the Augusta Affordable Housing Corporation, Inc., a component unit of the Augusta Housing Authority.

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2. The audit performed shall be sufficient in scope to enable the Auditor to express an opinion in the audit report on the financial statements of the Augusta Housing Authority. The Augusta Housing Authority may expand the scope of work beyond that required by the government. Any expanded scope will be separately negotiated and attached as an addendum to the contract.
3. The audit fieldwork should begin no later than August 31st of each year and completed within a reasonable time such that the audit reports can be submitted to the Augusta Housing Authority Board of Commissioners at the November Board meeting following the audited year. The audited Financial Data Schedule (FDS) submissions shall be completed and electronically submitted to the Real Estate Assessment Center (REAC) of HUD by December 31st following the audited year.
4. The Auditor must meet one of the following definitions of independent auditor: a) A state or local government auditor who meets the independence standards specified in the Standards for Audit of Government Organizations, Programs, Activities and Functions developed by the Comptroller General, dated 2/27/81, or b) A public accountant who meets the qualification standards in the Standards for Audit of Government Organizations, Programs Activities and Functions for personnel performing government audits.
5. The Auditor certifies that its principal officer(s) or member(s) do not now have and have not had during any period covered by this audit any interest, direct or indirect, in the Augusta Housing Authority or any of its members or officials including the following:
 - a) Family relationship with any Augusta Housing Authority member or official;
 - b) Employment by or service as a member or official of the Augusta Housing Authority during the period covered by the audit.
6. The Auditor certifies that it has not provided accounting or bookkeeping services for the Augusta Housing Authority during the period covered by the audit.
7. No member, officer or employee of the Augusta Housing Authority, no member of the governing body of the locality in which any of the Augusta Housing Authority's projects are situated, no member of the governing body of the locality in which the Augusta Housing Authority was activated, and no other public official of such locality or localities who exercises any responsibilities or functions with respect to the Augusta Housing Authority's projects, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.
8. No member of or Delegate to Congress of the United States or resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise there from.
9. The Auditor warrants that he/she has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee.

Breach of this warranty shall give the Augusta Housing Authority the right to terminate this contract, or, in its discretion, to deduct from the Contractors fee the amount of such commission, percentage, brokerage or contingent fee.

10. The Auditor shall not assign or transfer any interest in this contract except that claims for monies due or to become due from the Augusta Housing Authority under the contract may be assigned to a bank, trust company, or other financial institutional. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining members of such partnership.
11. The Auditor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. The Auditor shall take affirmative action to ensure that applicants are employed and employees are treated during employment, without regard to race, color, religion, sex, age, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship.
12. For a period of five years from the date of the audit report, the Auditor shall make its work papers, records, and other evidence of audit available to the Government and to the Comptroller General of the United States or his duly authorized representatives during normal working hours upon written request of the Government or of the Comptroller General or his representatives. The Government and the Comptroller General shall be entitled to reproduce any or all of such documents at their expense for which provision will be made at the time the need for reproduction arises.
13. Except for disclosure to the Government, the Comptroller General and the Augusta Housing Authority, the Audit Report and the work papers, records and other evidence of audit, including information and data prepared or assembled by the Auditor under this contract, shall be held confidential by the Auditor and shall not be made available or otherwise disclosed to any person without the prior written approval of the Government.
14. The books or account and financial records to be audited are maintained and are located at the Augusta Housing Authority's central office. These books and records will be made available to the Auditor by the Executive Director of the Augusta Housing Authority at the Auditor's request and at the Augusta Housing Authority's office during normal business hours.
15. If the Auditor ascertains that the Augusta Housing Authority's books and records are not in a sufficiently satisfactory condition for performing an audit, the Auditor shall disclose the deficiency to the Augusta Housing Authority. If the Augusta Housing Authority cannot get its books ready for an audit within 15 days, then the Auditor should notify the Government. Notification to the Government shall be by written communication addressed to the Regional Inspector General for Audit, Regional Office, Department of Housing and Urban

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Development. The Auditor shall await further instructions from the Regional Inspector General for Audit before continuing the audit.

16. Upon completion of the audit, twenty-five copies of the audit report shall be submitted to the Augusta Housing Authority Board of Commissioners.
17. The Auditor shall provide, pay for, and maintain in force at all times during the services being performed such insurance, including Worker's Compensation insurance, Employer's Liability insurance, and Business Auto liability insurance in the amounts normally carried by major public accounting firms.
18. The Augusta Housing Authority may, before or during the conduct of the audit, request changes in the scope of the services of the Auditor to be performed under this contract. Such changes, including any increase or decrease in the amount of the Auditor's compensation and any change in the time limitation for submission of the Contractor's report, which are mutually agreed upon by and between the Augusta Housing Authority and the Auditor, shall be incorporated into written amendments to this contract and shall be subject to the Government's approval.
19. The Augusta Housing Authority agrees to pay the Auditor as compensation for the services and report mentioned herein, a lump sum fee of \$ _____, inclusive of all costs and expenses.

Such lump-sum fee shall be payable after submission of the Audit Report to the Augusta Housing Authority and after submission of copies of the report to the Government as provided in paragraph 4 above. The Auditor is responsible for final government review and approval of the audited submission of the report.

FYE March 31, <u>2022</u>	\$ _____
FYE March 31, <u>2023</u>	\$ _____
FYE March 31, <u>2024</u>	\$ _____
FYE March 31, <u>2025</u>	\$ _____
FYE March 31, <u>2026</u>	\$ _____

20. Addendum to Contract (see attached)

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IN WITNESS WHEREOF, the Augusta Housing Authority and the Auditor executed this agreement the day and year first above written.

Auditor

The Housing Authority of the City of
Augusta

BY _____
(Name) (Date)

BY _____
Executive Director Date

**Housing Authority of the City of Augusta
Audit Proposal Price Form
March 31, 2022 to March 31, 2026**

Fiscal Year Ended March 31, 2022

A. Partner/Principal	\$ _____ per hour	Estimated Hours _____	\$ _____
B. Senior/Manager	\$ _____ per hour	Estimated Hours _____	\$ _____
C. Semi-Senior	\$ _____ per hour	Estimated Hours _____	\$ _____
D. Junior	\$ _____ per hour	Estimated Hours _____	\$ _____
E. Other	\$ _____ per hour	Estimated Hours _____	\$ _____
F. Travel Expense	\$ _____ per hour	Estimated Hours _____	\$ _____
		TOTAL HOURS _____	\$ _____

Fiscal Year Ended March 31, 2023

A. Partner/Principal	\$ _____ per hour	Estimated Hours _____	\$ _____
B. Senior/Manager	\$ _____ per hour	Estimated Hours _____	\$ _____
C. Semi-Senior	\$ _____ per hour	Estimated Hours _____	\$ _____
D. Junior	\$ _____ per hour	Estimated Hours _____	\$ _____
E. Other	\$ _____ per hour	Estimated Hours _____	\$ _____
F. Travel Expense	\$ _____ per hour	Estimated Hours _____	\$ _____
		TOTAL HOURS _____	\$ _____

Fiscal Year Ended March 31, 2024

A. Partner/Principal	\$ _____ per hour	Estimated Hours _____	\$ _____
B. Senior/Manager	\$ _____ per hour	Estimated Hours _____	\$ _____
C. Semi-Senior	\$ _____ per hour	Estimated Hours _____	\$ _____
D. Junior	\$ _____ per hour	Estimated Hours _____	\$ _____
E. Other	\$ _____ per hour	Estimated Hours _____	\$ _____
F. Travel Expense	\$ _____ per hour	Estimated Hours _____	\$ _____
		TOTAL HOURS _____	\$ _____

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Fiscal Year Ended March 31, 2025

A. Partner/Principal	\$ _____ per hour	Estimated Hours _____	\$ _____
B. Senior/Manager	\$ _____ per hour	Estimated Hours _____	\$ _____
C. Semi-Senior	\$ _____ per hour	Estimated Hours _____	\$ _____
D. Junior	\$ _____ per hour	Estimated Hours _____	\$ _____
E. Other	\$ _____ per hour	Estimated Hours _____	\$ _____
F. Travel Expense	\$ _____ per hour	Estimated Hours _____	\$ _____
		TOTAL HOURS _____	\$ _____

Fiscal Year Ended March 31, 2026

A. Partner/Principal	\$ _____ per hour	Estimated Hours _____	\$ _____
B. Senior/Manager	\$ _____ per hour	Estimated Hours _____	\$ _____
C. Semi-Senior	\$ _____ per hour	Estimated Hours _____	\$ _____
D. Junior	\$ _____ per hour	Estimated Hours _____	\$ _____
E. Other	\$ _____ per hour	Estimated Hours _____	\$ _____
F. Travel Expense	\$ _____ per hour	Estimated Hours _____	\$ _____
		TOTAL HOURS _____	\$ _____

TOTAL COST: FIVE YEARS TOTALED \$ _____

**Housing Authority of the City of Augusta
Funding Information
December 16, 2021**

The Housing Authority of the City of Augusta currently has 1,872 ACC units in service under the Low Rent Program, and 4,241 total units under the Housing Assistance Payments Program. The Housing Assistance Programs are broken down as follows: Housing Vouchers - 4,022 units, Veterans Affairs Supportive Housing -158 units, and Emergency Housing Vouchers - 61 units.

GRANTS IN PROGRESS

Public Housing Capital Funds Grants

GA06E00150119	\$ 100,656
GA06P00150116	\$3,626,944
GA06P00150117	\$3,810,341
GA06P00150118	\$5,890,527
GA06P00150119	\$6,037,205
GA06P00150120	\$6,048,378
GA06P00150121	\$4,598,670

(GA06P00150116 and 501117 are fully expended, HUD did not issue the completed cost certificate in time for the audit. We anticipate this will be corrected and updated before the next audit begins).

Resident Opportunity & Self Sufficiency Program - 2021 Family Self-Sufficiency Program

FSS21GA3468	\$ 117,246
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Special Fund

Revenues are from multifamily revenue bond fees, and interest income. Expenditures include salary in the form of deferred compensation and related employee benefits and other administrative costs.

National Housing Compliance Administration

Revenues are from administrative fees. Expenditures include salary and related employee benefits, along with administrative costs of the program.

Augusta Affordable Housing Corporation, Inc.

The Augusta Affordable Housing Corporation (AAHC) is separately incorporated as a nonprofit agency for purposes of the Internal Revenue Code 501 (c)(3) status, and as such is a component unit of the Augusta Housing Authority and will be included in the Augusta Housing Authority's audit.

Revenues for the AAHC are developer fees and transfers from Capital Fund Replacement Housing Factor grants (RHF) and Capital Fund Demolition and Disposition Transitional Funding (DDTF). Expenditures include AAHC portion of construction costs of the

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partnership with Walton Communities, LLC located in Marietta, Georgia, and other administrative costs. The AAHC purchased land in Augusta in May 2006, which has not yet been developed. The AAHC is partnered with Walton Communities, and has completed multifamily housing, at the old Underwood Homes, a public housing site, which includes public housing units mixed with the market rate units, utilizing Low Income Housing Tax Credits. The AAHC is partnering with Walton Communities to build multifamily housing at the Cherry Tree Crossing location which also will include public housing units mixed with market rate units, which began in the latter part of 2016, utilizing Low Income Housing Tax Credits.