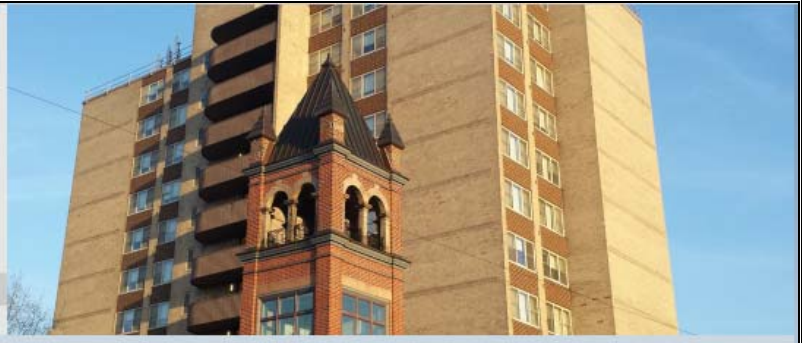


LEBANON COUNTY
HOUSING
&
REDEVELOPMENT
AUTHORITIES

LEBANON, PENNSYLVANIA



REQUEST FOR PROPOSALS

Audit Proposals
for
The Housing Authority
of
Lebanon County, Pennsylvania
and
The Redevelopment Authority
of
Lebanon County, Pennsylvania

February 2019

The Housing and Redevelopment Authorities of the County of Lebanon
1220 Mifflin Street Lebanon, PA 17046

VENDOR REGISTRATION FORM

STOP EXTREMELY IMPORTANT

Before proceeding further you **MUST** complete this form and return it via fax to the Housing and Redevelopment Authorities at the number listed below. **ALL** vendors who obtain the Audit solicitation **MUST** register with the Authorities.

IF YOU DO NOT COMPLETE THIS FORM AND RETURN IT TO THE AUTHORITIES YOUR BID WILL NOT BE CONSIDERED.

Company Name: _____

Company Address: _____

Contact Name: _____

Contact Telephone: _____ Contact Fax: _____

Contact Email: _____

RETURN THIS FORM TO: Mrs. Karen Raugh

By Fax to: 717-274-1870 or by email to: kraugh@lebanoncountyhousing.com

Once this form is received by the Authorities you will be added to the list of firms who have received the RFP and who are authorized to submit a bid for this solicitation. You will receive a return fax or email from the Authorities acknowledging receipt of your registration.

If you have any questions please contact the Authority staff member referenced in the solicitation.

FOR AUTHORITIES USE ONLY

The Authorities hereby acknowledges receipt of your registration for the above referenced solicitation.

Received by the Authorities by: _____

Date Received: _____

**REQUEST FOR AUDIT PROPOSALS
ATTENTION CERTIFIED PUBLIC ACCOUNTANTS**

The Housing and Redevelopment Authorities of the County of Lebanon request proposals from Certified Public Accountants for the annual audits of project accounts for the year end 2019 with the option to extend 4 additional years.

Information, complete specifications, and proposal forms may be obtained in electronic format at www.lebanoncountyhousing.com. No proposal will be considered unless submitted on the forms provided or photocopies thereof. Failure to use the required forms may result in disqualification of the quotation. Please note that the Contract for Audit Services will be awarded to the offeror deemed best qualified in the judgment of the Authorities. It will be necessary for the successful offeror to submit separate billing(s) for each appropriate project account.

Audit Guidelines may be examined by contacting Mrs. Karen Raugh, Chief Operating and Financial Officer, at the main office, 1220 Mifflin Street, Lebanon, PA 17046 or via telephone at (717) 274-1401 ext 111.

Proposals will be accepted at the main office until 2:00 p.m., prevailing time, Wednesday, June 5, 2019, at which time the proposals will be opened and the total bid read aloud.

Proposals shall be *sealed* and marked “Audit Bid.”

Proposals shall be hand-delivered or mail carrier delivered no later than the date specified for the receipt of proposals to:

Housing and Redevelopment Authorities of the County of Lebanon
1220 Mifflin Street
Lebanon, PA 17042

It is anticipated that the Contract for Audit Services will be awarded during the June 26, 2019 meeting of the Board of Directors.

The Authorities reserve the right to reject any and all proposals, to waive informalities in the proposal, and to award the audit as is deemed to be in the best interest of the Authorities.

SERVICES REQUIRED

The Housing and Redevelopment Authorities of the County of Lebanon, hereinafter referred to as the “Authority,” will require an accounting firm (Certified Public Accountants) to perform United States Department of Housing and Urban Development (HUD)-approved and/or Pennsylvania Department of Community and Economic Development (DCED)-approved 2019 annual audits of project accounts including GAAP submission, GASB-34, GASB-75, GASB-87, OMB circular A-133 and FDS Schedules. The selected offeror will be the one deemed best qualified, in the judgment of the Authority, to provide the audit services.

All offerors are required to submit a completed original copy of each of the following:

1. Exhibit A — “Audit Services Proposal”
2. Exhibit B — “Request for Audit Proposal”
3. Appendix 1 — “2019 Audit Cost Data”

All offerors are required to submit proposals on forms provided by the Housing and Redevelopment Authorities of the County of Lebanon. Any proposal received on other forms will not be considered.

INFORMATION AND DATA REQUIRED OF EACH OFFEROR

All offerors are required to submit an original proposal to the Authority by June 5, 2019. Such proposal shall contain Exhibit A (“Audit Services Proposal”); Exhibit B (“Request for Audit Proposal”); Appendix 1 (2019 Audit Cost Data); *and* responses to at least the following:

- I. OFFEROR’S METHOD FOR PROVIDING THE REQUEST SERVICES.
 - A. Your understanding of the Audit Requirements.
 - B. Your suggested Scope of Services (if it differs from the RFP).
- II. OFFEROR’S QUALIFICATIONS, EXPERIENCE, AND TIME COMMITMENTS OF PROPOSED PROJECT COORDINATOR AND TECHNICAL STAFF.
 - A. Demonstrate the ability of the Project Coordinator to carry out the audit services as evidenced by, but not limited to, prior experience in similar projects, including proven ability to manage performance of required tasks within time and resource limits, and prior and relevant experience.
 - B. Demonstrate the ability of other specifically named key personnel to carry out assigned responsibilities for specific tasks or activities as evidenced by prior experience.
 - C. Set forth the estimated level of effort, in terms of time commitment, to be provided by the Project Coordinator and the specifically identified key personnel.

III. MANAGEMENT AND WORK PLANS.

Set forth offeror's plans for allocating resources and personnel, coordinating the collection of data, writing and delivering the required plans and specifications, and coordinating interactions with the Authority.

IV. AUDITOR'S EXPERIENCE.

- A. Demonstrate experience and capability of the offeror in conducting efforts of the nature and scope required by this RFP and producing acceptable products for projects of this size and scope in a tight time framework.
- B. Demonstrate experience and capability of the offeror in providing stability, continuity, and responsiveness of both staff and management.

V. SMALL, AND WOMEN ENTERPRISE PARTICIPATION AND PARTICIPATION OF LABOR SURPLUS AREA FIRMS.

Set forth the basis for qualifying and the degree of participation by the offeror in the work under this proposal by the following categories, if such category(s) are applicable to the offeror:

- A. Small business firm (Lebanon County-Owned HUD "Section 3 Firm").
- B. Women-owned business firm.
- C. Labor surplus area business firm.

VI. BASIS FOR COMPENSATION.

The offeror shall furnish a proposal for audit services on a lump sum, not to exceed basis.

FACTORS FOR AWARD

The staff of the Authority will evaluate each written proposal, determine whether oral discussion of the offer is necessary, then based on the content of the written proposal and oral discussion, if any, will assign points for each segment of the proposal in accordance with the criteria hereinafter set forth. The offeror with the highest total points will be selected for purposes of awarding a contract. The Authority reserves the right to negotiate final compensation with the offeror with the highest total points. The points to be awarded are set forth for each major segment and subsegment below:

- I. OFFEROR'S METHOD FOR PROVIDING THE REQUESTED SERVICES (20 points).
 - A. Understanding of Authority Programs (10 points).
 - B. Adequacy of the Scope of Services (10 points).

- II. OFFEROR'S QUALIFICATIONS, EXPERIENCE, AND TIME COMMITMENTS OF PROPOSED PROJECT COORDINATOR, AND TECHNICAL STAFF (30 points).
 - A. Demonstrate ability of the Project Coordinator to carry out the project consulting responsibilities (10 points).

 - B. Demonstrate ability of other specifically named key personnel to carry out proposed assignment, including prior experience in performing such assignment (10 points).

 - C. The adequacy of the proposed level of effort, in terms of time commitment, of Project Coordinator and key personnel (10 points).

- III. MANAGEMENT AND WORK PLANS (10 points).

Quality of offeror's work plans.

- IV. OFFEROR'S EXPERIENCE (30 points).
 - A. Demonstrated experience and capability of the offeror's coordinating efforts of the nature and scope of similar work (15 points).

 - B. Demonstrated experience and capability of the offeror in providing stability, continuity, and responsiveness of both staff and management (15 points).

V. PARTICIPATION BY SMALL, WOMEN, AND LABOR SURPLUS AREA FIRMS (5 points).

Any offeror who meets any one of the following factors shall receive five (5) points:

- A. Small business firm (Lebanon County-Owned HUD “Section 3 Firm”).
- B. Women-owned business firm.
- C. Labor surplus area business firm.

VI. LOCAL FIRM (15 points)

Any offeror who is located within fifty (50) miles of the city of Lebanon shall receive fifteen (15) points.

VII. COMPENSATION (15 points).

Total Lump Sum Fee Proposals will be factored to determine points under this category, i.e. lowest proposal — 15 points; other proposals proportionally lower point award.

HOUSING AND REDEVELOPMENT AUTHORITIES
OF THE COUNTY OF LEBANON
1220 Mifflin Street
Lebanon, PA 17046
Telephone: (717) 274-1401

2019 Audit Information

I. *REDEVELOPMENT AUTHORITY PROJECT ACCOUNTS*

A. General Fund

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$370,000

B. Cornwall Manor Bond Issue.

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$25,000

II. *MICSELLANEOUS ACCOUNTS*

A. Revolving Fund.

1. Audit of a revolving fund through which all administrative and payroll costs run, creating interfund accounts.
2. Audit Period: July 1, 2018, through June 30, 2019

III. *COUNTY OF LEBANON PROJECT ACCOUNTS ADMINISTERED BY THE REDEVELOPMENT AUTHORITY*

A. HOME Program

1. Audit Period: July 1, 2018, through June 30, 2019.
2. Estimated Gross Costs: \$50,000
3. **Separate financial data schedule is required in Audit**

B. County Community Development Block Grant

1. Audit Period: July 1, 2018, through June 30, 2019.
2. Estimated Gross Costs: \$500,000
3. **Separate financial data schedule is required in Audit.**

C. Affordable Housing

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$300,000
3. **Separate financial data schedule is required in Audit.**

D. Lebanon County Storm Water Consortium

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$1,000,000
3. **Separate audit required.**

****SEPARATE AUDIT****

IV. *HOUSING AUTHORITY PROJECT ACCOUNTS*

A. Section 8/Voucher Program

1. Number of Units: 775
2. Audit Period: July 1, 2018, through June 30, 2019
3. Estimated Gross Costs: \$3,800,000

B. Supportive Housing Program

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$130,000

C. Public Housing and Central Office

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$4,700,000
3. Project 1
4. Project 2
5. Project 3
6. Central Office Cost Center

D. Capital Fund.

1. Audit Period: July 1, 2018, through June 30, 2019
2. Estimated Gross Costs: \$500,000

******* Separate Audits Are Required For the Following Entities *******

I. *202 HOUSING PROJECT.*

A. *Palmyra Interfaith Manor.*

1. Audit Period: October 1, 2018, through September 30, 2019.
2. Audit of Council Funds
3. Audit of Affiliate
4. Preparation of 990 Tax Return.
5. Estimated Gross Costs: \$670,000.

II. *TAX CREDIT PROJECTS.*

A. *Sixth and Willow Limited Partnership.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Federal Income Tax Returns for Limited Partner and Non-Profit Corporation 990 Returns for General Partner.
3. Estimated Gross Costs: \$280,000.

B. *Palmyra Housing Limited Partnership.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Federal Income Tax Returns for Limited Partner and Non-Profit Corporation 990 Returns for General Partner.
3. Estimated Gross Costs: \$250,000.

C. *Annville Housing Limited Partnership.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Federal Income Tax Returns for Limited Partner and Non-Profit Corporation 990 Returns for General Partner.
3. Estimated Gross Costs: \$115,000.

D. *Mifflin Mills Housing Limited Partnership.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Federal Income Tax Returns for Limited Partner and Non-Profit Corporation 990 Returns for General Partner.
3. Estimated Gross Costs: \$175,000.

III. *NON-PROFIT CORPORATIONS.*

A. *Lebanon Valley Non-Profit Development Corporation.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Audit and Federal Tax Returns.
3. Estimated Gross Costs: \$32,000.

B. *Palmyra Housing Development Corporation.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Preparation of Audit and Federal Tax Returns.
3. Estimated Gross Costs: \$5,000.

C. *Non Profit Housing Development Corporation.*

1. Audit Period: January 1, 2019, through December 31, 2019.
2. Audit of Affiliate
3. Preparation of Audit and Federal Tax Returns.
4. Estimated Gross Costs: \$300,000.

EXHIBIT A

All offerors are required to *submit an original proposal* to the Authority by no later than 2:00 p.m., prevailing time, Wednesday, June 05, 2019. Offerors are required to provide appropriate responses, where indicated by underlining. The completed "Request for Audit Proposal" (applicable to DCED-funded projects only) shall be incorporated within the "Audit Services Proposal." All of the provisions of the "Audit Services Proposal," including maximum compensation, shall be in full force and effect.

AUDIT SERVICES PROPOSAL

THIS AGREEMENT, entered into as of the ___ day of _____, 2019 by and between the Housing Authority of the County of Lebanon and the Redevelopment Authorities of the County of Lebanon, both of the Commonwealth of Pennsylvania, and

(Full Name of Accountant or Accounting Firm)

Certified Public Accountant(s) of _____

_____, with offices at _____

(Address of Main Office[s], including State)

_____, hereinafter referred to as the "Contractor,"

(Address, including State)

WITNESSETH:

WHEREAS, pursuant to Contracts entered into with the United States of America, acting through the Department of Housing and Urban Development (hereinafter referred to as the "Government"), 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 Housing Authority of the County of Lebanon and the Redevelopment Authorities of the County of Lebanon pertinent to operations with respect to financial assistance; and

WHEREAS, the Government has authorized the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon to procure such audit by Certified Public Accountant(s), in lieu of audit by the Government; and

WHEREAS, the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon desire the Contractor to conduct and perform such audit;

NOW, THEREFORE, the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon and the contractor do mutually agree as follows:

1. The Contractor shall audit the accounts and records of the Housing Authority of the County of Lebanon and of the Redevelopment Authority of the County of Lebanon as noted in Appendix I, "2019 Audit Information." The audit of every project account shall be performed in accordance with generally accepted auditing standards and the auditing and reporting provisions of the applicable HUD audit guide for use by Certified Public Accountants, herein referred to as "GAAP Audit Guide, GASB-34, GASB-75, GASB-87, OMB circular A-133 and FDS Schedule" The audit performed shall be sufficient in scope to enable the Contractor to express an opinion in the Audit Reports on the financial statements of the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon.
2. The books of account and financial records to be audited are maintained and are located at the main office of the Authorities, located at 1220 Mifflin Street, Lebanon, Pennsylvania 17046. These books and records will be made available to the Contractor by the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon at the Contractor's request for the Contractor's use to conduct the audit at the main office during normal business hours.
3. If the Contractor ascertains that the books and records of the Housing Authority of the County of Lebanon or of the Redevelopment Authority of the County of Lebanon are not in a sufficiently satisfactory condition for performing an audit, the Contractor shall disclose this deficiency to the Housing Authority of the County of Lebanon and/or to the Redevelopment Authority of the County of Lebanon, as appropriate. If the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon cannot get its books ready for an audit within fifteen (15) days, then the Certified Public Accountant should notify the Government. Notification to the Government shall be by written communication addressed to the Department of Housing and Urban Development, Office of Inspector General, Regional Inspector General for Audit, The Pennsylvania State

Office, The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3380, with a copy to the Area Director, Area Office, Department of Housing and Urban Development, The Pennsylvania State Office, The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3380. The Contractor shall await instruction from the Office of Inspector General for Audit before continuing the audit.

4. Upon completion of the audit, an Audit Report consisting of those elements described in the applicable Audit guide shall be simultaneously submitted to the HUD Office of Public Housing per the Electronic Submission requirements via the Financial Data System to REAC; to HUD Philadelphia Area Office, Chief, Assisted Housing Management Branch (one copy); and to the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon (one copy for each of five Commissioners and three copies for the Executive Director, as joint addressees).
5. The Audit Report shall be submitted to the Authorities per the GAAP Guidelines and Schedule, GASB-34, GASB-75, GASB-87, OMB circular A-133 and FDS schedules.
6. The Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon may, before or during the conduct of the audit, request changes in the scope of the services of the Contractor to be performed under this contract. If the Scope of Services is decreased due to the elimination of a project(s), the amount of the Contractor's compensation will be decreased accordingly, based on the amount listed by the Contractor in Appendix 2 for that project account(s). Other changes, including any increases in the Scope of Services, and or increases in the amount of the Contractor's compensation and/or any change in the time limitations for submission of the Contractor's Report, which are mutually agreed upon by and between the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon and the Contractor, shall be incorporated into written amendments to this Contract.
7. The Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon agree to pay the Contractor, as compensation for the services and Report mentioned herein, a lump-sum fee of \$_____, inclusive of all costs and expenses. As it will be necessary for the successful bidder to submit separate billings to the appropriate project accounts, the Authorities require that the offeror provide a breakdown of the total bid by completing Appendix 1, "2019 Audit Cost Data (Breakdown of Bid by Project.)" and complete breakdown of fees by project for additional years 2020 and 2021; total cost of audits for years 2022 and 2023.

Fees shall be payable after submission of the Audit Report to the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon, and after submission of copies of the Report as provided in Paragraph 4 above.

8. The Contractor must be a Certified Public Accountant.
9. The Contractor certifies that his 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 Housing Authority of the County of Lebanon nor any of its members or officials nor any interests in the Redevelopment Authority of the County of Lebanon nor any of its members or officials, including the following:
 - A. Family relationship with any Housing Authority of the County of Lebanon and/or Redevelopment Authority of the County of Lebanon member or official;
 - B. Employment by or service as a member or official of the Housing Authority of the County of Lebanon and/or of the Redevelopment Authority of the County of Lebanon, during the period covered by the audit.
10. The Contractor certifies that it has not provided accounting and/or bookkeeping services for the Housing Authority of the County of Lebanon and/or for the Redevelopment Authority of the County of Lebanon during the period covered by the audit, except as follows: _____

_____.
11. No member, officer, nor employee of the Housing Authority of the County of Lebanon and/or of the Redevelopment Authority of the County of Lebanon, no member of the governing body of the locality in which any of the projects of the Housing Authority of the County of Lebanon and/or of the Redevelopment Authority of the County of Lebanon are situated, no member of the governing body of the locality in which the Housing Authority of the County of Lebanon and/or Redevelopment Authority of the County of Lebanon were activated, and no other public official of such locality or localities who exercises any responsibilities or functions with respect to the projects of the Housing Authority of the County of Lebanon and/or of the Redevelopment Authority of the County of Lebanon, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract nor the proceeds thereof.

12. No member of nor Delegate to Congress of the United States nor Resident Commissioner shall be admitted to any share nor part of this Contract nor to any benefit that may arise therefrom.
13. The Contractor warrants that he/she has not employed any person to solicit nor to secure this Contract upon any agreement for a commission, percentage, brokerage, nor contingent fee. Breach of this warranty shall give the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon the right to terminate this contract, or, in their (its) discretion, to deduct from the Contractor's fee the amount of such commission, percentage, brokerage, or contingent fee.
14. The Contractor shall not assign nor transfer any interest in this Contract except that claims for monies due or to become due from the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon under the Contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining members of such partnership.
15. The Contractor shall not discriminate against any employee nor applicant for employment because of race, color, religion, sex, age, and/or national origin. The Contractor shall take affirmative action to insure that applicants are employed, and employees are treated during employment, without regard to race, color, religion, sex, age, and/or national origin. Such action shall include, but not be limited to, the following: employment; upgrading; demotion; transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
16. For a period of five years from the date of the Audit Report, the Contractor 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 by the Government or of the Comptroller General, or his representatives. The Government and the Comptroller General shall be entitled to reproduce any and/or all of such documents at their expense, for which provisions shall be made at the time the need for reproduction arises.
17. Except for disclosure to the Government, to the Comptroller General, and to the Housing Authority of the County of Lebanon, and/or to the Redevelopment Authority of the County of Lebanon, the Audit Report and the work papers, records, and other evidence of audit, including information and data prepared or

assembled by the Contractor under this Contract, shall be held confidential by the Contractor and shall not be made available nor otherwise disclosed to any person without the prior written approval of the Government.

18. The Contractor shall comply with all applicable laws, ordinances, and/or codes of the State or Local governments, in performing any and all of the work embraced by this Contract.
19. If, through any case, the Contractor shall fail to fill, in timely and proper manner, his obligations under this Agreement, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon shall have the right to terminate this Contract by giving written notice to the Contractor of such termination and by specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, and reports prepared by the Contractor under this Contract shall, at the option of the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Contractor shall not be relieved of liability to the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon for damages sustained by the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon by virtue of any breach of the Contract by the Contractor, and the Housing Authority of the County of Lebanon and/or the Redevelopment Authority of the County of Lebanon may withhold any payments to the Contractor for the purpose of set-off, until such time as the exact amount of damages due to the Housing Authority of the County of Lebanon and/or to the Redevelopment Authority of the County of Lebanon from the Contractor is determined.

IN WITNESS WHEREOF, the Housing Authority of the County of Lebanon and the Redevelopment Authority of the County of Lebanon and the Contractor have executed this agreement the day and year first written above.

HOUSING AUTHORITY OF THE COUNTY OF LEBANON

By _____ Date _____

REDEVELOPMENT AUTHORITY OF THE COUNTY OF LEBANON

By _____ Date _____

Name of Independent Public Accountant

By _____ Date _____

All offerors are required to submit a completed original proposal to the Authorities by no later than 2:00 p.m., prevailing time, Monday, June 5, 2019. Offerors are required to provide appropriate responses. The completed "Request for Audit Proposal" (applicable to DCED-funded projects only) shall be incorporated within the "Audit Services Proposal." All the provisions of the "Audit Services Proposal," including maximum compensation, shall be in full force and effect.

REQUEST FOR AUDIT PROPOSAL

- I. Interested public accounting firms are invited to submit a proposal to audit the following project accounts: General, Cornwall Manor Bond Issue, Swatara Rehabilitation Loan Repayment, and other project accounts as indicated in the 2019 Audit Information. The programs are funded with local, Federal, and Commonwealth of Pennsylvania Department of Community and Economic Development funds.

A. *Information to be furnished by the Agency:*

1. Name and address of requesting agency: Redevelopment Authority of the County of Lebanon, 1220 Mifflin Street, Lebanon, PA 17046.
2. Questions on the proposal shall be directed to: Mrs. Karen Raugh, Chief Operating and Financial Officer at (717) 274-1401, ext. 111
3. Proposals are to be sent to: Housing and Redevelopment Authorities of the County of Lebanon, 1220 Mifflin Street, Lebanon, PA 17046.
4. The proposals will become a part of the Agency's official files without any obligation on the Agency's part.

B. *Scope of Services Required:*

1. The audit is to include an examination of all the Agency's projects from July 1, 2018. The contracts to be audited are indicated in the 2019 Audit Information.
2. The audit will be financial and compliance, economy and efficiency, and programmatic. The examination is to be made in accordance with 1) generally accepted auditing standards; 2) the GAO *Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*; 3) the GAO *Guidelines for Financial and Compliance Audits of Federally-Assisted Programs*, 4) OMB Circular No. A-102, *Uniform Administrative Requirements for Grants-in-Aid to*

State and Local Governments, with the exception of Attachment P; 5) OMB Circular No. A-128; 6) OMB Circular No. A-133; and 7) the provisions of the *Federal Single Audit Act of 1984*, and the “Audit Guide for Mortgages Having HUD Insured or Secretary Held Multi-Family Mortgages,” IG 4372.1.

3. The examination is to include a review of the administration of the agency. The review shall include, but not be limited to, proper authorization for hiring, promotions, salaries, fringe benefits, etc., adequate insurance and bonding coverage, adequate documentation for pro-rating administration costs between projects, investment policy of idle cash that provides the maximum yield, etc.

The examination is to include a review of third-party contracts. This review is to include, but not be limited to, proper bidding procedures, proper authorization and awarding, and a review of change orders for reasonableness. In addition, any professional contracts that do not require bidding shall be reviewed for reasonableness of fee and services rendered.

The examination shall include a review of the real estate acquisition files for content and validity. This shall include, at a minimum, a review for deed, two independent appraisals, title report and/or insurance, settlement sheets, and any other pertinent documents. Also, any Board of View Awards are to be checked to ascertain the acquisition price equals the award, and interest on the award is computed properly.

On all property the Agency has acquired, the audit shall include a review of the management practices. This review shall include, at a minimum: proper maintenance of property, fair market rental charges, properly executed tenant leases, timely rental collections (accounts receivable should be aged), and proper charge-off of rental losses.

The examination shall include a review of the relocation files for the reasonableness of payments and their eligibility with State and Federal laws.

The examination shall include a review of the rehabilitation clients' files. This review shall include, at a minimum, proof of eligibility (ownership, time of ownership, etc.), documentation of damage, and any prior reimbursement, i.e. flood insurance.

4. The period to be audited is to June 30, 2019 with option to extend contract through 2023.
5. The number of reports required is ten (10) bound and one (1) PDF.

4. An exit conference is to be held with the appropriate Agency personnel prior to issuance of the final report.
5. A representative from the audit firm may be asked to attend a board meeting to review the audited financial statement with the board members.

C. *Description of Entity and Records to be Audited:*

1. The accounting records are maintained by Karen Raugh, Chief Operating and Financial Officer, 1220 Mifflin Street, Lebanon, PA 17046.
2. The contracts are between the Agency and the Department of Community and Economic Development. The auditor is to ascertain that the Agency has followed all approved budgets, as amended.

D. *Assistance Available to Proposer:*

1. The Agency staff will assist in providing information and pulling records. In addition, the Agency field office will assist in providing information regarding the records that are maintained in their location.
2. The Proposer's conference will be held at: N/A

E. *Report Requirements:*

1. The report should be addressed to the chairman of the Agency.
2. The report must contain, at a minimum, the following statements:
 - a. Statement of Net Position;
 - b. Statement of Revenues, Expenses, and changes in Net Position;
 - c. Statement of project costs; and
 - d. On closeout projects, a statement of land inventory.
3. Reports of examinations of financial statements must:
 - a. State the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards; and
 - b. Include an opinion as to whether the statements conform to generally accepted accounting principles.
4. Reports of compliance examination must include a statement that the examination was conducted in accordance with applicable auditing standards. The

audit report must state whether the examination disclosed instances or significant non-compliance with laws and regulations. Findings of non-compliance or ineligible expenditures must be presented in enough detail for management to be able to clearly understand them.

5. The management letter is required and it should include a statement of audit findings and recommendations affecting the financial statements, internal control, accounting, accounting systems, legality of action, other instances of non-compliance with laws and regulations, and any other material that matters.

F. *Time Consideration and Requirements:*

1. Date of proposer conference: N/A
2. Date and time for proposed submission: June 5, 2019 at 2 p.m.
3. Date of Contract Award: At Regular June Meeting of the Board of Directors.
4. Date work can commence: Following Notice to Proceed.
5. Date for final report submission: Per GAAP Guidelines and GASB-34 and FDS Schedules.

G. *Working Papers:*

1. The working papers are to be retained for at least five years.
2. The working papers will be available for examination by an authorized representative of the cognizant Federal audit agency and of the DCED.

H. *Rights to Reject:*

The Agency reserves the right to reject any and all proposals submitted and to request additional information from all proposers. The award will be made to the firm which, in the opinion of the Agency, is best qualified.

II. *Information to be submitted from the Proposer:*

In order to help simplify the review process and obtain the maximum degree of comparison, the Agency requests the proposals be organized in the following manner:

A. *Title Page.*

Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of the contact person, and the date.

B. *Table of Contents.*

Include a clear identification of the material by section and by page number.

C. *Letter of Transmittal.*

Limit to one or two pages.

1. Briefly state the proposer's understanding of the work to be done and make a positive commitment to perform the work within the time period.
2. State the all-inclusive fee for which the work will be done.
3. State the names of the persons who will be authorized to make representations for the proposer, their titles, addresses, and the telephone numbers.
4. State that the person signing the letter will be authorized to bind the proposer.

D. *Profile of the Proposer.*

1. State whether the firm is local, regional, national, or international.
2. State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
3. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or management services.

E. *Mandatory Criteria:*

1. Affirm that the proposer is a properly licensed certified public accountant or that the proposer is a public accountant licensed on or before December 31, 1970.
2. Affirm that the proposer meets the independence standards of the GAO *Standards for Audit of Governmental Organizations, Program, Activities, and Functions* (1981 revision).

F. *Summary of the Proposer's Qualifications:*

1. Identify the supervisors who will work on the audit, including staff from other than the local office. Résumés including the relevant experience and continuing education for each supervisory person to be assigned to the audit should be included.
2. Describe the recent local and regional office auditing experience similar to the type of audit requested and give the names and telephone numbers of client officials responsible for three of the audits listed.

G. *Proposer's Approach to the Examination:*

Submit a work plan to accomplish the scope defined in Section 1.B. of these guidelines. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named. The planned use of specialists should be specified.

1. *Financial Audit.*

- a. State whether the examination will be made in accordance with generally accepted auditing standards.
- b. State that the primary purpose of the examination, unless it is otherwise intended, is to express an opinion on the financial statements and that such an examination is subject to the inherent risk that errors or irregularities may not be detected. State that if conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if other circumstances are encountered that require extended services, the auditor will promptly advise the requested. Finally, state that no extended services will be performed unless they are authorized in the contractual agreement or in an amendment to the agreement.

2. *Compliance Audit.*

State that in accordance with the auditing standards of the cognizant Federal agency or in accordance with other applicable standards as described in the RFP and applicable Federal and DCED laws, regulations, and guidelines, the proposer will select the necessary procedures to test compliance. The proposer is to disclose any non-compliance with the specified laws, regulations, guidelines, and contracts.

3. State that, in accordance with auditing standards or in accordance with other applicable standards as described in the RFP, the proposer will select the necessary procedures to test economy and efficiencies and to disclose non-compliance.

4. State that, in accordance with the auditing standards or in accordance with the other applicable standards as described in the RFP, the proposer will select the necessary procedures to test programmatic results and to disclose non-compliance.

H. *Compensation.*

State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum fee for which the requested work will be done. State whether data processing will be used in the examination and, if so, estimate the data processing resources the requester will need to supply in terms of computer time, operator time, and programmer time.

I. *Additional Data.*

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The proposer's general information publications, such as directories or client lists, should not be included unless specifically requested. If there is no additional information to present, state, "There is no additional information we wish to present."

REDEVELOPMENT AUTHORITY OF THE COUNTY OF LEBANON
1220 Mifflin Street, Lebanon, PA 17046
Telephone: (717) 274-1401
2019 Audit Cost Data (Breakdown of Lump-Sum Fee by Project)

I. *REDEVELOPMENT AUTHORITY PROJECT ACCOUNTS.*

- A. *General Fund* \$ _____ Total Fee — Account 2019 Audit
- B. *Cornwall Manor Bond Issue.* \$ _____ Total Fee — Account 2019 Audit
- C. *Revolving Fund.* \$ _____ Total Fee — Account 2019 Audit

II. *COUNTY OF LEBANON PROJECT ACCOUNTS ADMINISTERED BY THE REDEVELOPMENT AUTHORITY.*

- A. *Home Program.* \$ _____ Total Fee — Account 2019 Audit
- B. *County Community Development Block Grant.* \$ _____ Total Fee — Account 2019 Audit
- C. *Affordable Housing.* \$ _____ Total Fee — Account 2019 Audit
- D. *Lebanon County Storm Water Consortium* \$ _____ Total Fee — Account 2019 Audit

HOUSING AUTHORITY OF THE COUNTY OF LEBANON
1220 Mifflin Street, Lebanon, PA 17046
Telephone: (717) 274-1401
2019 Audit Cost Data (Breakdown of Lump-Sum Fee By Project)

III. HOUSING AUTHORITY PROJECT ACCOUNTS.

A. Section 8/Voucher Program. \$_____ Total Fee — Account 2019 Audit

B. Supportive Housing Program \$_____ Total Fee — Account 2019 Audit

C. Public Housing, Central Office . \$_____ Total Fee — Account 2019 Audit
Project 1, Project 2, and Project 3

1. The total fee for audit of this account is based on the following:

Project 1 \$_____ Total Fee — Account 2019 Audit

Project 2 \$_____ Total Fee — Account 2019 Audit

Project 3 \$_____ Total Fee — Account 2019 Audit

Central Office \$_____ Total Fee — Account 2019 Audit

D. Capital Fund. \$_____ Total Fee — Account 2019 Audit

IV. 202 HOUSING PROJECT

A. Palmyra Interfaith Manor. \$ _____ Total Fee — Account 2019 Audit

VI. TAX CREDIT PROJECTS

A. Sixth and Willow Streets Limited Partnership. \$ _____ Total Fee — Account 2019 Audit

B. Palmyra Housing Limited Partnership. \$ _____ Total Fee — Account 2019 Audit

C. Annville Housing Limited Partnership. \$ _____ Total Fee — Account 2019 Audit

D. Mifflin Mills Housing \$ _____ Total Fee — Account 2019 Audit

VII. NON-PROFIT CORPORATIONS.

A. Lebanon Valley Non-Profit Development Corporation \$ _____ Total Fee — Account 2019 Audit

B. Palmyra Housing Development Corporation \$ _____ Total Fee — Account 2019 Audit

C. Nonprofit Housing Development Corporation \$ _____ Total Fee — Account 2019 Audit

**THE TOTAL FEE FOR 2019
AUDITS OF ALL ACCOUNTS**

= \$ _____

REDEVELOPMENT AUTHORITY OF THE COUNTY OF LEBANON
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- C. *Revolving Fund.* \$ _____ Total Fee — Account 2020 Audit

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- B. *County Community Development Block Grant.* \$ _____ Total Fee — Account 2020 Audit
- C. *Affordable Housing.* \$ _____ Total Fee — Account 2020 Audit
- D. *Lebanon County Storm Water Consortium* \$ _____ Total Fee — Account 2020 Audit

HOUSING AUTHORITY OF THE COUNTY OF LEBANON
1220 Mifflin Street, Lebanon, PA 17046
Telephone: (717) 274-1401
2020 Audit Cost Data (Breakdown of Lump-Sum Fee By Project)

III. HOUSING AUTHORITY PROJECT ACCOUNTS.

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B. Supportive Housing Program \$_____ Total Fee — Account 2020 Audit

C. Public Housing, Central Office . \$_____ Total Fee — Account 2020 Audit
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Project 3 \$_____ Total Fee — Account 2020 Audit

Central Office \$_____ Total Fee — Account 2020 Audit

D. Capital Fund. \$_____ Total Fee — Account 2020 Audit

IV. 202 HOUSING PROJECT

A. Palmyra Interfaith Manor. \$ _____ Total Fee — Account 2020 Audit

VI. TAX CREDIT PROJECTS

A. Sixth and Willow Streets Limited Partnership. \$ _____ Total Fee — Account 2020 Audit

B. Palmyra Housing Limited Partnership. \$ _____ Total Fee — Account 2020 Audit

C. Annville Housing Limited Partnership. \$ _____ Total Fee — Account 2020 Audit

D. Mifflin Mills Housing \$ _____ Total Fee — Account 2020 Audit

VII. NON-PROFIT CORPORATIONS.

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B. Palmyra Housing Development Corporation \$ _____ Total Fee — Account 2020 Audit

C. Nonprofit Housing Development Corporation \$ _____ Total Fee — Account 2020 Audit

**THE TOTAL FEE FOR 2020
AUDITS OF ALL ACCOUNTS**

= \$ _____

REDEVELOPMENT AUTHORITY OF THE COUNTY OF LEBANON
1220 Mifflin Street, Lebanon, PA 17046
Telephone: (717) 274-1401

2021 Audit Cost Data (Breakdown of Lump-Sum Fee by Project)

I. *REDEVELOPMENT AUTHORITY PROJECT ACCOUNTS.*

- A. *General Fund* \$ _____ Total Fee — Account 2021 Audit
- B. *Cornwall Manor Bond Issue* \$ _____ Total Fee — Account 2021 Audit
- C. *Revolving Fund* \$ _____ Total Fee — Account 2021 Audit

II. *COUNTY OF LEBANON PROJECT ACCOUNTS ADMINISTERED BY THE REDEVELOPMENT AUTHORITY.*

- A. *Home Program* \$ _____ Total Fee — Account 2021 Audit
- B. *County Community Development Block Grant* \$ _____ Total Fee — Account 2021 Audit
- C. *Affordable Housing* \$ _____ Total Fee — Account 2021 Audit
- D. *Lebanon County Storm Water Consortium* \$ _____ Total Fee — Account 2021 Audit

HOUSING AUTHORITY OF THE COUNTY OF LEBANON
1220 Mifflin Street, Lebanon, PA 17046
Telephone: (717) 274-1401

2021 Audit Cost Data (Breakdown of Lump-Sum Fee by Project)

III. HOUSING AUTHORITY PROJECT ACCOUNTS.

A. Section 8/Voucher Program. \$ _____ Total Fee — Account 2021 Audit

B. Supportive Housing Program \$ _____ Total Fee — Account 2021 Audit

C. Public Housing, Central Office . \$ _____ Total Fee — Account 2021 Audit
Project 1, Project 2, and Project 3

1. The total fee for audit of this account is based on the following:

Project 1 \$ _____ Total Fee — Account 2021 Audit

Project 2 \$ _____ Total Fee — Account 2021 Audit

Project 3 \$ _____ Total Fee — Account 2021 Audit

Central Office \$ _____ Total Fee — Account 2021 Audit

D. Capital Fund. \$ _____ Total Fee — Account 2021 Audit

IV. 202 HOUSING PROJECT

A. *Palmyra Interfaith Manor.* \$ _____ Total Fee — Account 2021 Audit

VI. TAX CREDIT PROJECTS

A. *Sixth and Willow Streets Limited Partnership.* \$ _____ Total Fee — Account 2021 Audit

B. *Palmyra Housing Limited Partnership.* \$ _____ Total Fee — Account 2021 Audit

C. *Annville Housing Limited Partnership.* \$ _____ Total Fee — Account 2021 Audit

D. *Mifflin Mills Housing* \$ _____ Total Fee — Account 2021 Audit

VII. NON-PROFIT CORPORATIONS.

A. *Lebanon Valley Non-Profit Development Corporation* \$ _____ Total Fee — Account 2021 Audit

B. *Palmyra Housing Development Corporation* \$ _____ Total Fee — Account 2021 Audit

C. *Nonprofit Housing Development Corporation* \$ _____ Total Fee — Account 2021 Audit

**THE TOTAL FEE FOR 2021
AUDITS OF ALL ACCOUNTS**

= \$ _____

THE TOTAL FEE FOR 2022 AUDITS OF ALL ACCOUNTS

= \$ _____

THE TOTAL FEE FOR 2023 AUDITS OF ALL ACCOUNTS

= \$ _____

THE AUTHORITY, AT ITS DISCRETION RESERVES THE RIGHT TO NOT ENGAGE THE SELECTED FIRM TO PERFORM AUDITS BEYOND 2019.

TO: Accounting Firms

FROM: Bryan D. Hoffman, Executive Director
Elizabeth Bowman, Executive Director

SUBJECT: Request for Proposals

DATE: April 22, 2019

REQUEST FOR PROPOSALS

The Housing Authority and Redevelopment Authorities of the County of Lebanon request proposals from Certified Public Accountants for the annual audits of project accounts.

Written specifications may be obtained from the main office of the Authorities located at 1220 Mifflin Street, Lebanon, PA 17046, between the hours of 8:30 a.m. and 4:30 p.m., on weekdays.

GAAP and GASB-34, GASB 75, GASB 87, Audit Guidelines and FDS Schedules may be examined by contacting Karen Raugh, Chief Operating and Financial Officer, at the main office at (717) 274-1401.

Proposals will be accepted at the main office until 2:00 p.m., prevailing time, June 5, 2019, at which time the proposals will be opened and the total bid read aloud.

All offerers are required to submit proposals on forms provided by the Housing and Redevelopment Authorities of the County of Lebanon. Any proposal received on other forms will not be considered.

The Authorities reserve the right to reject any and all proposals, to waive irregularities in the proposal, and to award the audit as is deemed to be in the best interest of the Authorities.

AUDIT SCHEDULE
ALL PROJECTS

	DRAFT DUE	FINAL DUE
REDEVELOPMENT AUDIT	DEC 1	DEC 31
HOUSING AUDIT	DEC 1	DEC 31
HOUSING FDS SCHEDULE	DEC 1	DEC 31
PALMYRA INTERFAITH MANOR AUDIT	NOV 30	DEC 15
PALMYRA INTERFAITH MANOR ELECTRONIC SUBMISSION	NOV 30	DEC 15
PALMYRA INTERFAITH MANOR FEDERAL AND STATE TAX RETURNS	NOV 30	DEC 15
SIXTH AND WILLOW STREETS AUDIT	FEB 15	FEB 20
SIXTH AND WILLOW STREETS TAX RETURNS	FEB 15	FEB 20
PALMYRA LIMITED PARTNERSHIP AUDIT	FEB 15	FEB 20
PALMYRA LIMITED PARTNERSHIP TAX RETURNS	FEB 15	FEB 20
ANNVILLE LIMITED PARTNERSHIP AUDIT	FEB 15	FEB 20
ANNVILLE LIMITED PARTNERSHIP TAX RETURNS	FEB 15	FEB 20
MIFFLIN MILLS HOUSING CORP AUDIT	FEB 15	FEB 20
MIFFLIN MILLS HOUSING CORP TAX RETURNS	FEB 15	FEB 20
LEBANON VALLEY NONPROFIT CORP AUDIT AND TAX RETURN	APRIL 1	APRIL 15
NONPROFIT HOUSING DEVELOPMENT CORP AUDIT AND TAX RETURN	APRIL 1	APRIL 15
PALMYRA HOUSING DEVELOPMENT CORP AUDIT AND TAX RETURN	APRIL 1	APRIL 15