



Housing Authority of the City of Perth Amboy

881 AMBOY AVENUE, P.O. BOX 390, PERTH AMBOY, NJ 08862

TELEPHONE: (732) 826-3110

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REQUEST FOR PROPOSALS

FISCAL AUDIT SERVICES FYE 3/31/19

The Housing Authority of the City of Perth Amboy, New Jersey requires the services of a Certified Public Accountant or a licensed or registered Public Accountant to perform a "Single Audit" on the Authority's accounts for the fiscal year ending March 31, 2019. The contract will be for a one-year term, renewal for an additional year at the agreement of both parties. This is to comply with the Single Audit Act of 1984, HUD's Audit Guide (handbook) (including PIH Notices 95-31 and 2005-11) for Public Housing Authorities, 2 CFR Part 200, the Uniform Financial Reporting Standards for HUD Programs (24CFR Part 5 et al.), and the Authority's Contracts with the U.S. Department of Housing and Urban Development, and New Jersey State Local Fiscal Control Law.

The programs to be audited include 7 programs with 60 ACC units subsidized but not managed by PHA; 1280 units Section 8 Housing Choice Voucher and Project-Based program (approximately 200 addition incoming portables); the Capital Fund Program, Debt Leveraging Program (paid off November 2017), a CDBG grant, a ROSS Grant and two RAD tax credit projects (360 units) that are treated as discretionary presented component units. The audits for these component units were prepared by Novogradac & Company for the year ended 12/31/2018.

The Authority has converted 360 public housing units to the Rental Assistance Demonstration (RAD) Program and received its CHAP Award from HUD in April 2015. It is recommended that interested parties contact our Director of Financial Operations (Thomas Furlong, CPA) for the purpose of familiarizing themselves with the financial books and records of this Authority. He can be reached at # (732) 826-3118.

All proposals must be submitted in triplicate on the prescribed proposal form, which form consists of proposed agreement for provision of the required services. Respondents must provide the information required under Items 7 and 10 of the proposed agreement and execute same. The Authority will solicit based on the evaluation/selection factors attached to the proposal. The respondent must address all evaluation/selection factors used in this proposal. Submission must include a Non-Collusion Affidavit, a disclosure of ownership forms, an insurance requirement acknowledgement form, a mandatory equal opportunity of the business requisition entity information form, and an acknowledgement of corrections, additions and deletions form. Failure to do so will result in rejection of the proposal. We require that the subject audit be submitted to the Authority by October 31, 2019.

All proposals must be received by the Authority at 10:00 a.m. on Thursday, August 8, 2019. Please address the same to:

Douglas G. Dzema, PHM, Executive Director
Housing Authority of the City of Perth Amboy
881 Amboy Avenue, P.O. Box 390
Perth Amboy, New Jersey 08862

This Authority retains the right to reject any and all proposals and to award the contract as deemed to be in its best interest.

AGREEMENT FOR AUDIT SERVICES-SAMPLE

THIS AGREEMENT, entered into as of the _____ day of _____, by and between the Housing Authority of the City of Perth Amboy, State of New Jersey (hereinafter referred to as the Public Housing Agency) and _____ of _____ hereinafter referred to as the ("Contractor"), WITNESSETH:

WHEREAS, the Public Housing Agency 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, the Comptroller General of the United States or his duly authorized representatives and the State of New Jersey Department of Community Affairs (DCA), have the right to audit the books and records of the Public Housing Agency pertinent to its operations with respect to such financial assistance; and

WHEREAS, the Government and DCA have authorized the Public Housing Agency to procure such an audit by an Independent Public Accountant in lieu of audit by the Government and DCA; and

WHEREAS, the Public Housing Agency desires the Contractor to conduct and perform such an audit;

NOW, THEREFORE, the Public Agency and the Contractor do mutually agree as follows:

1. The Contractor shall audit the accounts and records of the Public Housing Agency for the 12 month period ending March 31, 2019 (a) in accordance with generally accepted Government auditing standards and the auditing and reporting provisions OMB 2 CFR Part 200, Notices PIH-95-31 and 2005-11 and the Uniform Financial Reporting Standards for HUD Housing Programs and (b) in conformance with the State of New Jersey Statutes and Regulations, New Jersey Administrative Code 5:31.7. The audit performed shall be sufficient in scope to enable the Contractor to express an opinion in the audit report on the financial statements of the Public Housing Agency. ** The contract is for a one-year term, renewal for an additional year at the agreement of both parties.
2. The books of account and financial records to be audited are maintained and are located at the Public Housing Agency's office at 881 Amboy Avenue, Perth Amboy, New Jersey. These books and records will be made available to the Contractor by the Executive Director of the Public Housing Agency at the Contractor's request for the Contractor's use at the Public Housing Agency's office during normal business hours.
3. If the Contractor ascertains that the Public Housing Agency's books and records are not in a sufficiently satisfactory condition for performing an audit, the Contractor shall disclose this deficiency to the Public Housing Agency. If the Public Housing Agency cannot get its books ready for an audit within 15 days, than the IPA should notify the Government and the State of New Jersey DCA. Notification to the Government and DCA shall be by written communication addressed to the Regional Inspector General for Audit, Regional Office, Department of Housing and Urban Development, 26 Federal Plaza, New York and New Jersey Department of Community Affairs, Division of Local Government Services, 101 South Broad Street, CN 803, Trenton, New Jersey 08625-0803.

The Contractor shall await further instructions from the Regional Inspector General for

Audit and DCA before continuing the audit.

- 4. Upon completion of the audit, an Audit Report consisting of those elements as required by the Government (HUD) and the State of New Jersey (DCA) shall be simultaneously submitted to the Public Housing Agency (1 copy for each Commissioner and required copies for the Executive Director), HUD Field Office, Federal Bureau of Census, the State of New Jersey DCA and the local municipality. The Auditor will be required to propose a synopsis of the audit for publication in a local newspaper. The auditor may be requested to attend meeting with the Board of Commissioners to discuss the audit. The auditor must work in conjunction with the Authority’s Director of Financial Operations to submit the audit to the Real Estate Assessment Center (REAC).

In addition the auditor must coordinate with the Authority to file the audit with the Federal Clearinghouse.

- 5. The Audit Report shall be submitted by October 31, 2019. The Auditor will be required to supply the Authority with the pertinent information required to submit the audit electronically to the Real Estate Assessment Center “REAC”. The Auditor will be required to attest to the REAC audit submission.
- 6. The Public Housing Agency may, before or during the conduct of the audit, request changes in the scope of the services of the Contractor to be performed of the Contractor's compensation and any change in the time limitation for submission of the Contractor report, which are mutually agreed upon by and between the Public Housing Agency and the Contractor, shall be incorporated into written amendments to this contract and shall be subject to approval by the Government and the State of New Jersey DCA.
- 7. The Public Housing Agency agrees to pay the Contractor for the fiscal audit year ending March 31, 2019 as compensation for the services and report mentioned herein, a lump-sum fee of \$ _____ inclusive of all costs and expenses. The fee is based on the following:

- a. Partner (Principal): \$ _____ per hour; estimated man-days _____ \$ _____
- b. Senior (Manager): \$ _____ per hour, estimated man-days _____ \$ _____
- c. Semi-Senior: \$ _____ per hour; estimated man-days _____ \$ _____
- d. Junior: \$ _____ per hour; estimated man-day _____ \$ _____
- e. Other (describe)

TOTAL: \$ _____

It is estimated that _____ man-days will be required to perform the audit.

The lump sum fee shall be paid upon the Contractor’s compliance with Paragraph 4 of this Agreement.

The Public Housing Agency agrees to pay the Contractor, **if renewed for an additional year at the agreement of both parties for the fiscal audit year ending March 31, 2020** as compensation for the services and report mentioned herein, a lump-sum fee of \$ _____ inclusive of all costs and expenses. The fee is based on the following:

- a. Partner (Principal): \$ _____ per hour; estimated man-days _____ \$ _____
- b. Senior (Manager): \$ _____ per hour, estimated man-days _____ \$ _____
- c. Semi-Senior: \$ _____ per hour; estimated man-days _____ \$ _____
- d. Junior: \$ _____ per hour; estimated man-day _____ \$ _____
- e. Other (describe)

TOTAL: \$ _____

It is estimated that _____ man-days will be required to perform the audit.

The lump sum fee shall be paid upon the Contractor's compliance with Paragraph 4 of this Agreement.

8. The Contractor must be either a Certified Public Accountant, or a licensed or registered public accountant licensed on or before December 31, 1970, by a regulatory authority of a state or other political subdivision of the United States and meet any legal requirements concerning registration in which the Public Housing Agency is located. In addition, those public accountants licensed after December 31, 1970, but prior to December 31, 1975, who performed a Public Housing Agency audit prior December 31, 1975 will be eligible to continue to perform Public Housing Agency audits. A statement by the state identifying such registration or license shall be attached to this Contract.
9. The Contractor 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 Public Housing Agency or any of its members or officials including the following:
 - a. Family relationship with any Public Housing Agency member or official;
 - b. Employment by or service as a member or official of a Public Housing Agency during the period covered by the audit.
10. The Contractor certifies that is has not provided accounting or bookkeeping services for the Public Housing Agency during the period covered by the audit except as follows: NONE.
11. No member, officer or employee of the Public Housing Agency, no member of the governing body of the locality in which any of the Public Housing Agency's projects are situated, no member of the governing body of the locality in which the Public Housing Agency was activated, an no other public official of such locality or localities who exercises any responsibilities or functions with respect to the Public Housing Agency'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.
12. 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 therefrom.
13. The Contract 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 Public Housing Agency the right to terminate this contract, or, in 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 or transfer any interest in this contract except that claims for monies due or to become due from the Public Housing Agency 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 or applicant for employment because of race, color, religion, sex, age or national origin. The Contract shall take affirmative action to ensure that applicants 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.
16. For the period of four years from the date of the Audit Report, the Contractor shall make it's work papers, records, and other evidence of audit available to the Government, the Comptroller General of the United States or his duly authorized representatives and State of New Jersey

DCA, during normal working hours upon written request of the Government, the Comptroller General or his representatives or the State of New Jersey DCA. The period will be reduced to three years for those Public Housing Agencies for which all projects have had Actual Development Cost Certificates issued. The Government, the Comptroller General and DCA shall be entitled to reproduce any or all of such documents at their expense for which provision shall be made at the time the need for reproduction arises.

17. Except for disclosure to the Government, the Comptroller General, DCA and Public Housing Agency, the Audit Report and the work papers, records, and other evidence for 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 without prior written approval of the Government and DCA.
18. The Contractor shall fully comply with (a) OMB Circular A-133 and all amendments and supplements thereto; (b) 24 CFR 44 and all amendments thereto; (c) all applicable Federal Law, Statutes, and Regulations; (d) all applicable provisions of HUD Handbooks; and (e) New Jersey State Law; and including (f) New Jersey Administrative Code 5:31.7.
19. Additional Services. The Contractor will provide to the Public Housing Agency guidance and advice on accounting and financial matters if requested by the Public Housing Agency, provided however, that the Contractor shall first receive from the Public Housing Agency written approval prior to commencement of the services.

The Contractor shall be paid, in addition to the compensation for fiscal year ending 3/31/19, as set forth in Paragraph 7 of this Agreement, at the rate of \$ _____ per hour for the additional services to be performed by the lead Auditor (Partner or Principal).

The Contractor shall be paid, **if renewed for an additional year, in addition to the compensation for fiscal year ending 3/31/20**, as set forth in Paragraph 7 of this Agreement, at the rate of \$ _____ per hour for the additional services to be performed by the lead Auditor (Partner or Principal).

IN WITNESS WHEREOF, the Public Housing Agency and the Contractor have executed this agreement the day and year first above written.

Independent Public Accountant

HOUSING AUTHORITY OF THE CITY OF PERTH
AMBOY

BY: _____
Name

BY: _____
Chairperson

DATE: _____

DATE: _____

BY: _____
Executive Director

DATE: _____

EXCERPT FROM ADMINISTRATIVE CODE 5:31.7

- (a) The accounting system consists of the methods and records established to identify, assemble, analyze, classify, record, and report an entity’s transactions and to maintain accountability for the related assets and liabilities.
- (b) An effective accounting system should include a double-entry accounting for all transactions resulting in a general ledger, which shall be required for all authorities and special districts.
- (c) Any accounting system adopted pursuant to section (a) & (b) above, must make it possible to present fairly and with full disclosure the financial position and results of financial operations of the funds and account groups of the reporting entity, in conformity with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and demonstrate compliance with finance-related and contractual provisions, including applicable security and financing agreements.
- (d) GAAP as it applies to Proprietary funds of state and local governments, specifically as it applies to Enterprise funds shall be used to account for an authority’s ongoing activities, similar to those found in the private sector; where the intent of the governing body is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and/or where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.
- (e) The financial statements of authorities shall be prepared in accordance with GAAP applicable to Enterprise funds. Accordingly, revenues and expenses should be recognized on the accrual basis. Revenues should be recognized in the accounting period in which they are earned and become measurable; expenses should be recognized in the period incurred, if measurable.
- (f) The financial statements of special districts shall be prepared in accordance with GAAP applicable to Governmental funds of state and local governments. Accordingly, revenues and expenditures should be recognized on the modified accrual basis. Revenues should be recognized in the accounting period in which they become available and measurable. Expenditures should be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

EVALUATION/ SELECTION CRITERIA FOR FISCAL AUDIT SERVICES

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| 1. | Previous Experience/Qualifications | Max - 40% |
| 2. | Knowledge of HUD regulations, and Federal and State requirements. | Max - 40% |
| 3. | Fee | Max - 20% |

Public Notice-Perth Amboy Housing Authority Request for Proposals

The Housing Authority of the City of Perth Amboy, New Jersey (Authority) is seeking proposals from qualified Certified Public Accountants or licensed or registered Public Accountants to perform a “Single Audit” on the Authority’s accounts for the fiscal year ending March 31, 2019. The contract will be for a one-year term, renewal for an additional year at the agreement of both parties. This is to comply with the Single Audit Act of 1984, HUD's Audit Guide (handbook) (including PIH Notices 95-31 and 2005-11) for Public Housing Authorities, 2 CFR Part 200, the Uniform Financial Reporting Standards for HUD Programs (24CFR Part 5 et al.), and the Authority's Contracts with the U.S. Department of Housing and Urban Development, and New Jersey State Local Fiscal Control Law. Interested parties may download the Request for Proposals (RFP) from www.PerthAmboyHA.org. All proposals must be delivered by mail or hand delivered to the Authority, 881 Amboy Ave., PO Box 390, Perth Amboy, NJ 08862 no later than 10:00 a.m. on Thursday, August 8, 2019 and clearly marked “RFP – Audit Services”. The Authority invites the participation of Minority-Owned Business Enterprises in this solicitation and reserves the right to reject any or all offers or to waive any informalities in this solicitation.