



REQUEST FOR PROPOSALS FOR
AUDITING SERVICES

March 2023

I. NOTICE OF THE REQUEST FOR PROPOSALS

The Housing Authority of Kansas City, Kansas (KCKHA) requests proposals from qualified Independent Public Accounting (IPA) firms to provide IPA audit services for its portfolio of assisted housing and related programs. It is expected that the audit services will be performed in accordance with Generally Accepted Governmental Auditing Standards (GAGAS). The audit also must meet all requirements set forth in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), or any successor issuance, and/or any HUD Requirements, which are in effect as of the date of the audit onsite fieldwork.

The Agency was established in 1957 and has 128 employees budgeted for the coming Fiscal Year. The Agency's fiscal year-end is March 31 and the agency is mainly funded by the U.S. Department of Housing and Urban Development (HUD). The Agency is a quasi-government and therefore follows Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). For financial statement purposes, the PHA reports for each separate program.

The auditor will submit to the agency one (1) original unbound, one (1) electronic and 10 bound copies of the audited financial statements including the Single Audit report.

The Agency maintains the following programs:

- Public Housing Program. The Agency operates 2108 public housing units organized into eight (8) asset management project.
- Section 8 Housing Choice Voucher (HCV) Program. The Agency manages 1,642 HCV vouchers.
- We awarded ROSS grant on 06/01/2022.
- The PHA's federal awards expended based on last year's audit (rounded to thousands) were as follows:
 - CFDA 14.850 Low Rent Public Housing: \$9,450,000
 - CFDA 14.871 Housing Choice Voucher: \$10,829,000
 - CFDA 14.872 Public Housing Capital Fund: \$5,149,000
 - CFDA 14.896 PIH Family Self-Sufficiency Program: \$72,000
- Summary of auditor's results based on last year's audit were as follows:
 - Unmodified opinion on Financial statements
 - One finding – HCV Eligibility requirement

The Agency's financial records and tenant records are maintained on HAB software system. The Agency utilizes the following modules: Tenant Application, Tenant Processing, Tenant Accounts Receivable, Section 8 Receivables, Accounts Payable, Receipt System, FSS, General Ledger, Work Orders and Purchase Orders.

All responses to the RFP must be enclosed in a sealed envelope and labeled as follows with the specific information: RFP: KCKHA, Request for Audit Services.

This Request for Proposal (RFP) may be delivered in person or by mail to KCKHA, 1124 N. 9th Street Kansas City, Kansas Housing Authority or by email to tshomin@kckha.org to arrive no later than **4:00 pm Central Time on Wednesday April 5, 2023.**

In selecting the successful firm to perform these services, consideration will be given to criteria as referenced in the RFP document. All qualified firms including minority-owned and small businesses, and women's business enterprises are invited and encouraged to submit proposals.

The Authority reserves the right to waive irregularities and reject any and all proposals or request additional information from any respondent.

Questions regarding the RFP should be directed to Mr. Anthony J. Shomin, Director of Contract Administration, at (913)-279-3436 or by email at tshomin@kckha.org. **Deadline for questions is Wednesday March 29, 2023, 4:00 p.m.**

II. INSTRUCTIONS FOR SUBMITTING A PROPOSAL IN RESPONSE TO THIS RFP

- A. The KCKHA will be awarding a two-year contract with the option to extend the agreement for additional years on a year-by-year basis. The first audit period in the two-year contract is April 1, 2022 through March 31, 2023 and the second audit period is April 1, 2023 through March 31, 2024. Proposers should provide a total price covering each year of the two-year contract and a separate price for the third year.
- B. The KCKHA reserves the right to terminate the agreement by giving written notice to the successful proposer under the following circumstances:
 - 1. If the successful proposer fails to materially comply with any of the terms of the Contract.
 - 2. In the event of default, inability, or failure to perform on the part of the successful proposer.
 - 3. When the successful proposer and KCKHA agree to terminate or suspend the Contract in whole or in part, for convenience.
- C. Proposers must include the following information in their proposals:
 - 1. Certification that the firm is not suspended or otherwise prohibited from practice by federal, state, or local governments.
 - 2. Evidence that their firm is licensed to conduct business in the State of Kansas.

3. Evidence of worker's compensation, comprehensive general liability and automobile insurance.
4. Basic information about their company, including the following:
 - a. Full legal name of the company;
 - b. Name of Parent Company, if any;
 - c. Office address(es), telephone and fax number(s) and e-mail addresses of personnel who will be involved in the audit;
 - d. Legal structure of the company (e.g. sole proprietorship, partnership, corporation, etc.);
 - e. Number of years the company has been in business under its present name;
 - f. Number of employees; and
 - g. Names and titles of principals and key personnel. Key personnel are defined as those licensed accountants who will have primary responsibility for furnishing services to KCKHA.
5. Qualifications and experience of key personnel. Please provide by name and title, the following information:
 - a. Professional licenses (permits); certifications and training, to include GAGAS CPE requirements met for persons planning, directing, performing field work, or reporting on these audits, and evidence of Kansas licensure (permit) for one or more persons involved in the audit.
 - b. Experience in the accounting profession as an accountant (please include number of years in practice);
 - c. Number of Public Housing Program audits completed by the firm during the past two years (2020 – 2022).
 - d. References: Provide a contact name and phone number or email address for at least three governmental audit references for this period, housing authorities preferred.
6. Experience of firm's principals (if not key personnel) in providing accounting services to federally subsidized housing agencies, Public Housing Authorities, and Moving to Work Housing Authorities;
7. If the firm has been terminated for cause from a project within the last five years, explain the reasons and circumstances surrounding the termination;
8. Rate schedule including names, titles and hourly rates for all personnel who will be furnishing services under the contract. If one or more rates is anticipated

to change during the term of this engagement, please provide additional schedules indicating changes and when they will become effective, and;

9. Completed "Certifications and Representations of Offerors" form (HUD-5369-C).
- D. Submit the proposal to the KCKHA by the specified deadline. All proposers will be notified by mail approximately two weeks after the submittal deadline.
- E. Requests for any information concerning this solicitation should be referred to Nebyu Tilahun, Director of Finance, at 913-279-3423 or ntilahun@kckha.org. To review any records prior to submitting a proposal, please call for an appointment.
- F. Protests concerning the Request for Proposals shall be made in writing and delivered to KCKHA's Contracting Officer at least ten working days prior to the submittal deadline. Protests concerning the outcome of the selection process must be made in writing to the Contracting Officer within ten working days of the selection of the successful firm. Although KCKHA will endeavor to notify each proposer regarding the outcome of the selection process, it shall be the responsibility of each proposer to determine if it was successful.
- G. Interpretations and Addenda: Requests for interpretations concerning any aspect of the RFP shall be directed to the Housing Authority's Contracting Officer (CO). Any inquiry made at least ten days before the deadline fixed for submittal of proposals will be given consideration for a written interpretation. Written interpretations, along with any modifications to the RFP, will be in the form of an addendum, which will be available in the Housing Authority's office at least seven calendar days before the submittal deadline. The addenda will be mailed, faxed or e-mailed to each respondent, but it shall be the respondent's responsibility to make inquiry as to what addenda, if any, were issued. All respondents will be bound by such addenda, whether or not received.

III. SCOPE OF SERVICES

Previous/Current Auditor

The Agency's previous contractor for audit services is Citrin Cooperman & Company, LLP which is located 2 BETHESDA METRO CENTER, 11TH FLOOR, BETHESDA, MD 20814 who has performed these services for the Agency since 2018.

General Requirements

The Auditor will adhere to the general requirements provided below.

- A. Audit Standards (Single Audit). It is expected that the audit services will be performed in accordance with Generally Accepted Auditing Standards (GAAS) as set forth by the American Institute of Certified Public Accountants (AICPA) and Generally Accepted Governmental Auditing Standards (GAGAS) as issued by the US Government Accountability Office (GAO). The audit also must meet all requirements set forth in Title 2 U.S. code of Federal Regulations (CFR) Part 200, Uniform Administrative

Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), or any successor issuance, and/or any HUD or other Federal agency requirement, which are in effect as of the date of the audit onsite fieldwork.

- B. State Requirements. Any state audit requirements and procedures are expected to be properly performed and completed as part of this scope of work.
- C. The successful proposer shall initially audit the accounts and records of KCKHA in accordance with Generally Accepted Auditing Principles (GAAP) for state and local governments; the auditing and compliance supplement provisions of PIH Handbook 74761, Rev. 1, CHG.2; the Single Audit Act Amendment of 1996, Uniform Guidance and OMB Compliance Supplement; and the Government Accounting Standard Board (GASB).
- D. The audit performed shall be sufficient in scope to enable the Independent Certified Public Accountant to express an opinion in the audit report on the financial statements of KCKHA.
- E. Audit Report. The auditor will provide one (1) original unbound, one (1) electronic and 10 bound copies of the audited financial statements including the Single Audit report to KCKHA.
- F. The Independent Certified Public Accountant shall issue a hard copy report on the Financial Data Schedule in accordance with Statement on Auditing Standards No. 29.
- G. All audits will begin on or after July 1st of each year and be completed by September for presentation to the KCKHA Board of Commissioners. Compliance testing may begin earlier by mutual agreement between the Independent Certified Public Accountant and KCKHA. Final reports will be issued by October of each year.
- H. The Independent Certified Public Accountant shall complete the electronic submission of the auditor's report to the U.S. Department of Housing and Urban Development (HUD) and will include the transmission of the Management Discussion and Analysis. The electronic submission will be successfully completed by October 31 of each year. The Independent Certified Public Accountant will provide the KCKHA with electronic files of the required auditor's reports.
- I. A data collection form, SF-SAC, shall be submitted to the Federal Audit Clearinghouse (FAC) at the completion of the audit. The KCKHA Asset Management accounting in conformance with various federal appropriations acts.

IV. METHOD FOR EVALUATING PROPOSALS:

A. Evaluation of proposals will be made using the following factors:

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| 1. Base Price for Services Provided | - | 30 points |
| 2. Previous Experience in Conducting PHA Audits of Comparable Size to KCKHA | - | 35 points |

3. Qualifications of Assigned Staff	-	15 points
4. Scope of Services Provided in Base Price	-	20 points
Total Possible Points for Consideration		100 points

B. At the discretion of KCKHA, the selected firms submitting the highest-rated proposals may be interviewed and may also be asked to submit final proposals. Based on the above criteria, responding audit firms are encouraged to provide detailed information in their RFP response materials. The award will be made to the responsible firm whose proposal is most advantageous to the agency, with price and other factors considered. Please be sure that your proposal includes separate costs for audit services for each of the three years that are being requested.