

**Request for Proposals
For Audit Services**

Issued by:

**Glen Cove Industrial Development Agency
Glen Cove Local Economic Assistance Corp.
Glen Cove Community Development Agency
Glen Cove Section 8 Housing Choice Voucher Program**

**Mayor Timothy Tenke, Chairman
Ann S. Fangmann, Executive Director-CDA/IDA/GCLEAC**

Dated: August 21, 2019

REQUEST FOR PROPOSAL AUDIT SERVICES

I. INTRODUCTION

Collectively, the Community Development Agency, Industrial Development Agency, Local Economic Assistance Corporation and the Section 8 Housing Choice Voucher Program shall be referred to herein as the “Agencies”.

A. General Information

The Agencies are requesting proposals from licensed certified public accounting firms to audit the financial statements for the fiscal year ending December 31, 2019, with the option of auditing its financial statements for the subsequent two (2) fiscal years. These audits are to be performed in accordance with the provisions included in this request for proposal:

To be considered, six (6) copies of your sealed proposal must be received by Anne LaMorte, Chief Financial Officer, Glen Cove IDA/GCLEAC/CDA, 9 Glen Street-City Hall, Glen Cove, NY 11542 no later than 3:00 P.M. on Friday, September 27, 2019.

The Agencies reserve the right to reject any or all proposals submitted and to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Agencies, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Submission of the proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Agencies and the firm selected.

It is anticipated the selection of a firm will be completed by October 2019. Following the notification of the selected firm, it is expected a contract will be executed between both parties as soon as possible thereafter.

B. Term of Engagement

A one (1) year contract will be issued with the option to renew for two additional years, subject to satisfactory negotiation of terms and the concurrence of the Agencies Board Members.

C. Requests for Information (RFI)

Any questions or requests for additional information regarding this proposal must be submitted via email, no later than Monday, September 9, 2019 by 5PM, to:

Anne LaMorte, CFO
Glen Cove IDA/CDA
E-mail: alamorte@glencovecda.org

Please insert Glen Cove CDA/IDA Auditor RFP Inquiry in subject line. The questions and responses will be distributed to all prospective bidders via email who have submitted a valid email address by September 13, 2019.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be performed

The auditor will express an opinion on the fair presentation of the Agencies financial statements in conformity with generally accepted accounting principles.

The financial and compliance audit will involve all the Agency's funds and accounts. The auditor is required to analyze and apply audit procedures in compliance with Generally Accepted Auditing Standards.

Provide unlimited consultation during the year including, but not limited to, meeting with the audit committee at least three (3) times per fiscal year.

B. Auditing Standards

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the *Government Auditing Standards*, issued by the Comptroller General of the United States; *Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non Profit Organizations*, and the *Public Authorities Reform Act of 2009*.

C. Reports

The auditor shall submit to the Agencies the following reports, with copies of each for transmittal to various clearinghouses, and other agencies as required:

1. Audit report on basic financial statements of the Agencies.
2. Single audit report relative to state and/or federal financial assistance programs.
3. Investment Reports where applicable
4. Independent Auditor's Report on Compliance with Requirements

Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with *OMB Circular A-13*, the *State Single Audit Guidelines*, and the *Public Authorities Reform Act of 2009*.

5. Current Year Findings and Questioned Costs
6. A management letter, with appropriate recommendations, commenting on material weaknesses in internal accounting control, reportable conditions, and identifying possible noncompliance with finance related legal provisions

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report the financial condition of the Agency. In addition, the following conditions shall be considered reportable:

- Reportable conditions that are also material weaknesses shall be identified as such in the report
- Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls
- The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance

D. Working Paper Retention and access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the Agencies of the need to extend the retention period.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

E. Timing, Location, and Conduct of Audit Work

1. The CDA/IDA/GCLEAC fiscal years are January 1 to December 31. The Section 8 fiscal year is March 31.
2. Pre-closing, interim tests and procedures shall be conducted at a mutually agreeable time.
3. The final onsite audit will commence 45 days from the end of the fiscal year. The audit will be conducted on the Agency's premises. The Agencies will provide space deemed adequate by the auditor to conduct an efficient audit.

4. Prior to completion of the onsite audit, the auditor will meet with the Finance Manager and Executive Director to review proposed audit adjustments and review any internal control findings or any other matters that come to the auditor's attention.
5. Prior to submission of the completed report, the auditor will be required to submit a draft of the proposed report and management letter to the Executive Director.
4. The financial audit reports must be submitted to the Agencies no later than March 15 of each year with audited financials required to be filed on PARIS by March 30th of each year.

III. DESCRIPTION OF THE AGENCIES

A. Principal Contact

The auditors will report to the CFO who will coordinate the assistance to be provided by the Agencies to the auditor.

B. Background Information

The City of Glen Cove is approximately 6.85 square miles with a population of 27,201 (7/1/2018 QuickFacts U.S. Census). Glen Cove Community Development Agency ("CDA" or "Agency") is a public benefit corporation, component unit, of the City of Glen Cove, which receives Community Development Block Grant ("CDBG") funds on an annual basis as a member of the Nassau County Urban Consortium. In addition, the CDA manages a HUD funded Section 8 Housing Choice Voucher Program and serves as the Urban Renewal Agency for the City of Glen Cove. The Community Development Agency's purpose is to plan and implement programs involving the rehabilitation and revitalization of both the residential and commercial sectors of the City of Glen Cove, to foster economic growth, to provide assistance to public service organizations, to eliminate blight and to improve opportunities for low-moderate income citizens of the City of Glen Cove. The Agency also writes and manages grants for the City of Glen Cove.

The Glen Cove Industrial Development Agency, ("IDA" or "Agency") serves the City of Glen Cove. The IDA works with companies located within the City limits. The agency is a public benefit corporation of the State of New York, organized by special act of New York State Legislature on May 17, 1974. The Industrial Development Agency is authorized to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research facilities, educational or cultural facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Glen Cove and improve their recreation opportunities, prosperity and standard of living.

The IDA provides benefits to qualified companies in four primary methods:

1. Taxable and tax-exempt Industrial Revenue Bonds
2. PILOT
3. Tax exemptions (sales tax and mortgage recording tax)
4. Flexible Development Fund loans for major development project

The Glen Cove Local Economic Development Corporation (GC-LEAC) was formed in 2014 via City Council resolution of the City of Glen Cove, under State of New York Section 1411 Not-for-Profit Corporation Law. It's mission is to support and promote economic development efforts for the public purpose and charitable purpose of benefiting and furthering the activities of the City of Glen Cove, New York, by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other financial assistance to support the growth, expansion, ongoing operations and continued viability of the non-profit sector in the City. To-date, GC-LEAC has undertaken only a couple of transactions since its inception in 2014.

C. Federal and State Financial Assistance

As part of the Single Audit Act, all Federal and State Finance Assistance received by the Agencies must also be audited. The CDA's CDBG grant is approximately \$400 thousand and the Section 8 Housing Choice Voucher Program receives approximately \$4 million in annual funding.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are required to be submitted:

Requests for proposals issued	August 21, 2019
Request for information (RFI)	September 9, 2019 (5:00 P.M.)
Responses to RFI	September 13, 2019 (5:00 P.M.)
Due Date for proposals	September 27, 2019 (3:00 P.M.)

B. Notification and Contract Dates

Selected firm notified	October 25 2019 (on or about)
Contract date	As soon as practical thereafter

C. Date Audit May Commence

The audit may commence as soon as possible from the date the contract is executed, but not later than 45 days prior to the end of the fiscal year (November 15th).

D. Date audit report is to be delivered to the Agencies:

- **CDA/IDA/GC-LEAC: On or before March 15, 2020**
- **Section 8 Housing Choice Voucher Program: June 15, 2020**

V. PROPOSAL REQUIREMENTS

A. Submission of Proposals

Six (6) copies of the proposal and one copy in electronic (flash/thumb drive format) must be submitted. The following material is required to be received in a sealed envelope by **3:00 P.M. on Friday, September 27, 2019** for a proposing firm to be considered:

1. The Proposal shall include the following:
 - a) A Title Page showing the request for proposal's subject; the firm's name, address, email, telephone and fax number of the contact person; and the date of the proposal.
 - b) Table of Contents listing all required attachments as per RFP
 - c) Transmittal Letter: A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement of why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty days.
 - d) Bidder's Proposal form (2 pages)
2. Completed sealed proposal with flash/thumb drive version should be sent to the following address not later 3:00 P.M. on Friday, September 27, 2019:

**Anne LaMorte, Chief Financial Officer
Glen Cove Community Development Agency
9 Glen Street – City Hall
Glen Cove, NY 11542**

B. Technical Proposal

1. General Requirements

The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements. As such, the substance of proposals will carry more weight than their form or manner of presentation.

While additional data may be presented, the following subjects, items No. 2 through 8, must be included. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the Agencies as defined by generally accepted auditing standards and the U.S. General Accounting Office's government Auditing Standards (2003). The firm should also list and describe the firm's professional relationships involving the Agencies, if any, for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. License to Practice in New York

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in New York (copy of license must be included with submission).

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's government audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement.

The firm shall provide information on the results of the most recent peer review and the results of any Federal or State reviews of its audits during the past five (5) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past five (5) years with state regulatory bodies or professional organizations.

The firm will include three (3) professional references, inclusive with firm name, contact, address, phone, fax and email for verification by the Agencies.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in New York. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past five (5) years and membership in professional organizations relevant to the performance of the audit.

The firm should provide as much information as possible regarding the number, qualifications, experience, and training including relevant continuing professional education, of the specific staff to be assigned to

this engagement. The firm also should indicate how the quality of staff over the term of the agreement would be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those persons leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Agencies. However, in either case, the Agencies retain the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

Agencies reserve the right to request replacement of staff.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of five) performed in the last five years that are similar to the engagement described in this request for proposals. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals.

Firms are required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of EDP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of the Agency's internal control structure

g. Approach to be taken in determining laws and regulations that will be subject to audit test work

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential Audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Agencies.

C. Proposal -Fee

1. Total Fee Not To Exceed Price

The proposal fee should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The Agencies will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

The enclosed proposal bid sheets must be completed in its entirety to ensure that the following information is included:

- a. Firm contact information, tax ID#, DUNS # and principal place of business.
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the Agencies
- c. A maximum price consistent with auditing standards at that time for the 2019, 2020, and 2021 engagements. Out-of-Pocket expenses included in the total all-inclusive maximum price

2. Rates by partner, specialist, supervisory and staff level times hours anticipated for each. The proposal bid should include a schedule of professional fees and expenses.

3. If, in the event additional audit work in a particular period is required for any untoward reason or complication with the original audit report, additional fee(s) schedule applicable, if necessary.

4. Manner of Payment

VI. EVALUATION PROCEDURES

A. Administrative Review

The Audit Committee will evaluate each of the proposals submitted and make a selection recommendation to the Agencies Board Members.

B. Review of Proposals

The Audit Committee will review each of the proposals submitted and evaluate them based on their response to the Request for Proposal as it relates to the rating evaluation criteria included in the RFP packet.

C. Oral Presentations

During the evaluation process, the Executive Director has the discretion to request any one or all firms to make oral presentations to the Audit Committee. Such presentations may provide firms with an opportunity to answer any questions on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

Based upon the recommendation of the Audit Committee, Agency approval will be taken to a vote by the Mayor as Chairman along with a majority vote of each Agency's Board Members. It is anticipated that a firm will be selected on or about October 25, 2019.

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Agencies and the firm selected.

The Agencies reserve the right without prejudice to reject any and all proposals.

The City of Glen Cove, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 US. C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

PROPOSAL
AUDIT SERVICES FOR GLEN COVE IDA, GC-LEAC, CDA, SECTION 8
CITY OF GLEN COVE, NASSAU COUNTY, NEW YORK

Name of Bidder: _____
(Individual, Firm or Corporation, as case may be)

IF BIDDER IS AN INDIVIDUAL, FILL IN THE FOLLOWING BLANKS:

Residence of Bidder: _____

Telephone: _____ Fax: _____ Email: _____

IF BIDDER IS A FIRM, STATE HERE THE NAME AND RESIDENCE OF EACH MEMBER THEREOF:

Partner's Name	Residence
_____	_____
_____	_____
_____	_____

IF BIDDER IS A CORPORATION, FILL IN THE FOLLOWING BLANKS:

Organized under the Laws of the State of:

Name and Address of President: _____

Name and Address of Secretary: _____

Name and Address of Treasurer: _____

Address of Corporation: _____

Phone: _____ Fax: _____ Email: _____

TAX ID#: _____ DUNS #: _____ MWBE: Yes ___ No ___

NAME/TITLE OF BIDDER:

SIGNATURE:

On this _____ day of _____, 201__, the above named Bidder affirms and declares:

1. That said bidder is of lawful age and the only one interested in this bid; and that no person, firm, or corporation other than hereinabove named has any interest in this bid, or in the contract proposed to be entered into.
2. That this bid is made without any understanding, agreement or connection with any other person, firm, or corporation making a bid and is in all respects fair and without collusion or fraud.
3. That said bidder is not in arrears to the County of Nassau or the City of Glen Cove upon debt or contract and is not a defaulter, as surety or otherwise, upon any obligations to said County or City.
4. That contractor has carefully examined the scope of work, and is satisfied as to the nature and location of the work, the character, quality and quantity of existing materials, and all difficulties likely to be encountered, the kind and extent of staff and facilities needed for the performance of the work, the general and local conditions, and all other items which may, in any way, affect the work or its performance.

The undersigned also declares that they have carefully examined and fully understand the Notice to Bidders, the Instructions to Bidders and Form of Proposal and hereby proposes to furnish all the materials, adequate equipment, incidentals and sufficient labor and supervision to progressively do all the work required to finish and complete within the time specified for the contract of: **AUDIT SERVICES FOR GLEN COVE IDA, GC-LEAC, CDA, SECTION 8 in accordance with the prices given below at his own proper cost and expense; and in a first class manner and in accordance with the Notice to Bidders and Instructions to Bidders:**

	FYE 12/31/19	FYE 12/31/20	FYE 12/31/21
GLEN COVE IDA AUDIT	\$ _____	\$ _____	\$ _____
GLEN COVE LEAC AUDIT	\$ _____	\$ _____	\$ _____
*GLEN COVE CDA AUDIT	\$ _____	\$ _____	\$ _____

**INCLUDING SECTION 8 YEAR END CLOSING REPORT 12/31/19, 12/31/20, 12/31/21*

	FYE 3/31/20	FYE 3/31/21	FYE 3/31/22
GLEN COVE SECTION 8 AUDIT	\$ _____	\$ _____	\$ _____
TOTAL FEE AUDIT YEAR	\$ _____	\$ _____	\$ _____

(Attach separate sheet delineating additional charges if audit work in a particular period is required, due to untoward circumstances.)

State of _____ County of _____:
Notary Public:

PROPOSALS FOR CDA/IDA/GCLEAC/SECTION 8 AUDIT SERVICES

AUDIT FIRM RATING EVALUATION CRITERIA

1. Background & Experience	Maximum Points				
a)Applicant's qualifications and experience in the field including license to practice in New York State	20				
b) Qualifications and experience of the project team and past performance on similar projects in terms of specific audit approach	20				
c)Partner/ supervisory and staff experience with other government entities	20				
2. Response to RFP					
a)Quality of applicant's proposal including level of detail and analysis provided on key elements	20				
b)Cost to Agency	20				

100					