

# **Dignity Housing**

## **Request for Proposal (RFP) for Auditing Services**

Dignity Housing requests qualified independent certified public accountants (hereinafter called the “Applicant” to submit proposals to enter into a contract to perform the financial audit for the fiscal year ending June 30<sup>th</sup> 2023.

Sealed proposals will be received until 11A.M. Monday, July 24<sup>th</sup>, 2023.

Any changes or clarifications that may be made to this RFP will be noted in an addendum. All inquiries for information should be directed to: Marie Rivas, Business Manager, [Mariedrivas@dignityhousing.org](mailto:Mariedrivas@dignityhousing.org)

The proposal should be mailed, emailed, or delivered directly to:

Attention: Business Manager  
Dignity Housing  
5227R Germantown Avenue  
Philadelphia, PA 19144  
[MarieDRivas@dignityhousing.org](mailto:MarieDRivas@dignityhousing.org)

### **Proposed Schedule of Implementation:**

Event	Date
Issue RFP	Monday , June 26, 2023
Questions and/or requests for additional information due	Monday, July 3 <sup>rd</sup> , 2023
Proposals Due	Monday, July 17 <sup>th</sup> , 2023
Applicant selected	Monday, July 24 <sup>th</sup> , 2023 (Estimate)
Contract Award	Monday, July 31 <sup>t</sup> , 2023 (Estimate)

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## **I. Introduction**

Dignity Housing invites competitive proposals from qualified, experienced, and reputable consulting firms to provide consulting services with respect to standard operating policies and procedures for its Finance Department (each, an “Applicant”, and together, and the “Applicants”) as outlined in the General Objective and Scope of Work section of this Request for Proposals (“RFP”).

Dignity Housing is a 501(c)(3) non-profit corporation organized and existing under the laws of Pennsylvania (“Commonwealth”) with our main office located at 5227R Germantown Avenue Philadelphia, PA 19144, whose purpose is to provide quality, affordable housing to meet the varying needs of the individuals and families residing in our single and multi-family units. Dignity Housing offers supportive services to residents at our short-term transitional shelter and permanent housing programs.

Dignity Housing receives its administrative grant funding from the U.S. Department of Housing and Urban Development (HUD). Dignity Housing is also a direct recipient of funds from the Office of Homeless Services (OHS). These grants fund a portion of operating expenses, social service programming, and day-to-day activities. Dignity Housing also has a property management arm that works in partnership with the Philadelphia Housing Authority to provide subsidized housing lease agreements for eligible residents in the transitional and permanent supportive housing program.

QuickBooks accounting systems is used to generate the various accounting reports (track your business income and expenses and organizes financial information) payroll; general ledger reflecting all other leasing and administrative activities. Approximately 30-40 disbursements per month are paid through the administrative bank accounts. The audit report for the fiscal year ended June 30<sup>th</sup>, 2022 and is available by contacting the Business Manager. The fee for the last audit was \$8,050.00 and included the same services as outlines in the scope of work below. Dignity Housing’s fiscal year ends June 30<sup>th</sup>.

### **Office of Economic Opportunity Participation**

The proposer should strive to include a minimum of 10% - 15% minority participation and/or 10% -15% female participation in its proposal. A list of certified minority and women business enterprises is available on OEO’s website at [www.phila.gov/OEO](http://www.phila.gov/OEO).

## **II. General Objective and Scope of Work**

Dignity Housing is seeking a reputable consulting firm (“Consultant”) to enter contract to perform the financial audit for the fiscal year of financial services to assure funders that the organization complies with best practices.

### **Scope of Work to be Performed:**

- A. Audit the Financial Statements of Dignity Housing for the fiscal year ending June 30<sup>th</sup>, 2023. The audit should be performed in accordance with generally accepted auditing standards in the United States and with generally accepted government auditing standards

issued by the Comptroller General of the United States. Accordingly, the proposer will report on the entity's financial statements, the Authority's internal control over financial reporting, and the proposer's test of compliance with applicable laws and regulations.

- B. Include in the audit report the Authority's financial statements in the format prescribed by the City including notes to the financial statements consistent with the disclosure requirements of the Governmental Accounting Standards Board and the Financial Accounting Standards Board together with a schedule reconciling the reformatted statements to the Authority's basic financial statements.
- C. Provide assistance in the preparation of detailed schedule of payments to and from the City as well as balances due to and from the City as of the fiscal year end.
- D. Provide assistance in the preparation of the Annual Report of Municipal Authorities as required by the Commonwealth of Pennsylvania, Department of Community and Economic Development.
- E. Submission of reports: The firm shall provide the Authority with 10 copies of the financial statements, Auditors report, management letter including management responses, and the Report of Municipal Authorities. A draft of the report shall be furnished to the Executive Director who will respond with comments within three (3) business days. The draft reports shall be sufficient and submitted timely to meet the City's cut off for its report (mid-September). Applicant shall submit final report to Dignity Housing by July 31<sup>st</sup> following the close of the fiscal year.
- F. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts, or indications of illegal acts of which they become aware of:
  - The CEO of Dignity Housing
  - The Chairperson of the Board of Directors
- G. Communicate audit findings to Dignity Housing's Board of Directors in person unless otherwise directed.
- H. Upon request, provide access to your audit documentation to the Office of City Controller, City of Philadelphia, or another designated official.
- I. Report Preparation: Report preparation, editing and printing shall be the responsibility of the Auditor.
- J. The auditor shall agree to keep the information related to all funds audited, related contracts, and all information obtained in the course of the audit, in strict confidence.

- K. Other than reports submitted to Dignity Housing, the auditor agrees not to publish, reproduce, or otherwise divulge such information, in whole or in part, in any manner or form, or authorize or permit others to do so, taking reasonable measures as are necessary to restrict information access to those employees on its staff who must have information on a need-to-know basis.
- L. The auditor shall retain reports and related working papers for a minimum of six (6) years, Audit documents shall be made available to Dignity Housing upon request by authorized representative of Dignity Housing or its designee.

**Assistance To Be Provided To The Auditor:**

- A. Books of Account: Dignity Housing represents that the books of account will be fully balanced, all ledgers reconciled, and all bank accounts for all months reconciled no later than 30 days immediately following statement date.
- B. Schedules: The staff or Authority consultants will prepare the following information on forms acceptable to the Auditor.
  - 1. An opening trial balance; detailed general ledger and an adjusted ending trial balance of each fund as of the statement date;
  - 2. A copy of all closing entries along with related support;
  - 3. A schedule of lease revenue and expenses for the year;
  - 4. A schedule of investments for each fund having invested funds during the period showing both book value, estimated market value at statement date and income earned;
  - 5. A schedule of accounts payable at statement date;
  - 6. Fixed Asset schedules for each of the capital lease projects;
  - 7. A schedule payroll report and a copy of all quarterly payroll tax returns for the period.;
  - 8. A reconciled payroll report and a copy of all quarterly payroll tax returns for the period;
  - 9. Copies of all relevant documents supporting any new projects; and
  - 10. Such reasonable additional scheduled as may be requested for the financial audits.

C. Other Assistance: The staff of the Authority will be available during the audit to assist the firm by providing information and explanation.

**III. Timeline**

The proposed schedule of Implementation is as follows:

Event	Date
Issue RFP	Monday , June 26, 2023
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**IV. Proposal Preparation and Submission Requirements**

A. General Requirements:

1. RFP Response:

In order to be considered for selection, applicants have two options: to submit hard copies or an electronic copy via email. Applicants must submit a complete response to this RFP. If submitting hard copies, original, so marked, and 3 copies, of your proposal must be submitted to the Business Manager by mail or in person:

Attention: Business Manager  
 Dignity Housing  
 5227R Germantown Avenue  
 Philadelphia PA 19144

Hard copy submissions should be submitted with proposals in a sealed, opaque envelope, and put the RFP number, title, due date, and time on the outside of the envelope. Applicants are responsible for having their proposal stamped by the Authority before the deadline for receipt of proposals. If submitting by email, applicants should receive an email receipt with the time and date the application was received. Email submissions should be sent to:

[Mariedrivas@dignityhousing.org](mailto:Mariedrivas@dignityhousing.org)

Telegraphic or facsimile submission of proposals is not acceptable, and any such proposals will not be considered. Nothing herein is intended to exclude any responsible applicant or in any way restrain or restrict competition. All responsible applicants are encouraged to submit proposals. No other distribution of the proposals shall be made by the applicant.

2. Proposal Preparation:

- a) Proposals shall be signed by an authorized representative of the applicant. By signing this bid proposal, the applicant certifies that it will remain in full compliance with:
  - i. The federal Civil Rights Act of 1964, as amended.
  - ii. The Federal Immigration Reform and Control Act of 1986.
  - iii. Americans with Disabilities Act.
  - iv. The Antitrust laws of the United States and the Commonwealth of Pennsylvania.
- b) All information requested must be submitted. Failure to submit all information requested may result in the Authority requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals that are substantially incomplete or lack key information may be rejected by the Authority. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- c) Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
- d) Each copy of the proposals should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume. The proposal package should be clearly marked as:

**“ RFP Proposal – Audit Services”**

- e) Ownership of all data, materials and documentation originated and prepared for the Authority pursuant to the RFP shall belong exclusively to the Authority and be subject to public inspection in accordance with the Pennsylvania Freedom of Information Act.

3. Oral Presentation:

Applicants who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the Authority. This will provide an opportunity for the Applicant to clarify or elaborate on the proposal but will in no way change the original proposal. The Authority will schedule the time and location of these

presentations. Cost of these presentations is the responsibility of the Applicant. Oral presentations are an option of the Authority and may not be conducted; therefore, proposals should be complete.

The top two or three Applicants will be most likely to be invited for interviews.

#### B. Specific Requirements:

Proposals should be as thorough and detailed as possible so that the Authority may properly evaluate the Applicant's capabilities to provide the required services. Applicants are required to submit the following items as a complete proposal:

##### 1. Title Page

Show the RFP subject; provide an overview of the services being sought and proposed scope of services, the name of the Applicant's firm, business identification information, local address, telephone number, fax number, website address, name of contact person, job title and date.

##### 2. Table of Contents

##### 3. Letter of Transmittal:

- a) History of the firm, including number of years in business, and size and structure of firm. Description of the Applicant's business background, including, if not an individual, Applicant's business organization (corporation, partnership, LLC, for profit or not for profit, etc.), whether registered to do business in Philadelphia and/or country and state of business formation, significant business experience.
- b) A statement by the prospective Auditor of his understanding of the work to be done, including specific reference to the provisions in the Scope of this RFP, with descriptions of the audit approach and illustrations of the procedures to be employed.
- c) The approximate date the audit will begin (including preliminary fieldwork) and end, as well as approximate dates for delivery of the financial statements and/or Auditor's reports.
- d) Biographies including experience, education, professional designation, and professional affiliations of the individuals who will be assigned to the engagement.



- e) Identify and describe the qualifications of all professional staff assigned to this audit including (a) audit team make up; (b) the overall supervision structure for the engagement.
  - f) Describe your firm’s expertise with quasi-public organization similar in size and complexity.
  - g) Describe the unique value that your firm’s approach to auditing brings to clients.
  - h) Names, addresses, and telephone numbers of clients currently served that are similar in size, funding and complexity to the Authority who may be contacted for reference.
  - i) A copy of the firms most recent peer review.
  - j) A Statement by the prospective Applicant that:
    - i. The firm is independent of the Authority as that term is defined by the Ethical Rules of the AICPA.
    - ii. The firm and the partner assigned to the engagement are licensed to perform the audit as provided by applicable laws of the Commonwealth of PA and the AICPA.
    - iii. The firm has met all applicable peer review standards of City of Philadelphia, the Commonwealth of Pennsylvania, the IRS, and the federal Government.
    - iv. The firm will provide adequate supervision on a day-to-day basis and that the resulting work papers shall be adequate and shall be available for routine review by appropriate Auditors of the Federal, State, or City governments if requests.
4. Requested Exceptions to Contract Terms State exceptions, if any, to City Contract Terms that Applicant requests, including the reasons for the request and any proposed alternative language.
  5. Solicitation for Participation and Commitment Form as a separate document, include a completed Solicitation for Participation and Commitment Form.

**V. Proposed Fees and Statement of Financial Capacity**

1. Applicants should provide fee quotes for each of the services requested above for the period ended June 30, 2023. The fee quotes should include details of estimated hours for all staff assigned to the engagement at each staff level, the hourly rate for each staff level and should provide both total anticipated hours to deliver the

services and total fees for each service. Also let the Authority know under what conditions, if any, the ultimate price of the audit could go above your stated quote.

2. Describe the process to be followed should you require additional hours to perform any of these services on the engagement.
3. The Authority is prepared to make progress payments to the Auditor; however twenty (20%) percent of the total fee shall be retained pending receipt of the Auditors final adjustments and the adjusted trial balances.
4. Provide documentation demonstrating fiscal solvency and financial capability to perform the work sought by this RFP. Consider providing one or more of the following:
  - a) General statement of the Applicant's financial condition;
  - b) Applicants most recent audited or unaudited financial statements;
  - c) Disclosure of any bankruptcy filings over the past five years.

## **VI. Audit Philosophy**

1. Describe your approach to auditing companies like the Authority How do you determine where to focus your time and in which areas do you believe you will concentrate your time should you be selected to serve as the independent auditor.
2. Explain your communications process as it pertains to the audit activities, covering both internal communications among your staff and external communications between your audit team and the Authority.
3. Discuss how your firm will approach the audits described above, including the use of any affiliate member forma and/or subcontractors.
4. Explain your decision-making process for questions regarding technical accounting issues. Describe the individuals in your national office or technical accounting group who will be involved in the audit.
5. Describe any process and/or technological innovations that enable you to drive efficiencies in the audit process.
6. Describe your expectations for support and involvement of the Authority's staff in conducting the audit. Provide a draft list that you would expect to deliver to the Authority prior to the audit.

7. Describe how your firm manages and coordinates its audit engagements during the year. The Authority is specifically interested in the levels of review needed in order to produce the final audit report.
8. Describe your firm's policy regarding drafting the financial statements. Does your firm manage the drafting of the financial statements or will this be the Authority's responsibility.

### **Meetings**

Conferences between the Auditor, the Authority employees and/or representatives of the Authority should be scheduled by the selected Auditor before the preliminary work and at the end of the fieldwork. The purpose of the meetings is to keep the Authority fully informed of the scope and progress of the audit.

### **Selection Process**

This is the selection criteria by which the Authority will choose a winning applicant.

1. Cost (20 points)
  - a) Cost-effectiveness, cost-efficiency, proposed savings, expense reduction
  - b) Price, fee caps and other cost control measures
2. Experience (20 points)
  - a) Specialized experience
  - b) Documented prior experience in handling project (s) of similar size and scope
  - c) Demonstrated ability to meet deadlines
3. Proposed plan of action/strategy/solution for Authority's project(s) (20 points)
  - a) Ability to meet project deadlines under proposed project
4. OEO Participation (20 points)
  - a) Level of participation goals achieved for MBE and WBE firms
  - b) Substance of work to be performed by MBE and WBE firms
5. Vendor capacity (20 points)
  - a) Staffing qualifications (e.g., staff prior experience, education, licenses, professional achievements)
  - b) Technical, administrative, financial capacity
  - c) Specific licensure requirements for organizations/businesses

### **Questions Relating to the RFP**

All questions concerning this RFP must be submitted in writing via email to Marie

Rivas at Mariedrivas@dignityhousing.org , no later than June 28, 2023 at 11AM. The Authority will provide written responses to the submitted questions no later than June 28, 2023 at 11AM. The Authority reserves the right not to respond to questions that it deems to be inappropriate. Oral responses by any Authority employee or agent of the Authority are not binding and shall not in any way be considered as a commitment by the Business Manager.

**I. General Rules Governing RFPS/Proposal; Reservation of Rights; Confidentiality; and Public Disclosure:**

**A. Revisions to RFP**

The Authority reserves the right to change, modify or revise the RFP at any time. Any revision to this RFP will be posted on RFP's online with the original Opportunity Details. It is the Applicant's responsibility to check the website frequently to determine whether additional information has been released or requested.

**B. Proposal Binding**

By signing and submitting its proposal, each Applicant agrees that the contents of its proposal are available for establishment of final contractual obligations for a minimum of 180 calendar days from the application deadline for this RFP. An Applicant's refusal to enter into a contract which reflects the terms and conditions of this RFP or the Applicant's proposal may, in the Authority's sole discretion, result in rejection of Applicant's proposal and shall be grounds for the Authority to call on any proposal security furnished by the Applicant.

**C. Reservation of Rights**

By applying for a notice of contract opportunity, the Applicant understands and agrees to this reservation of rights.

**D. Dignity Housing Reservation of Rights in Connection with the Notice of Contract Opportunity Process**

The Authority reserves and may exercise any one or more of the following rights and options with respect to its notice of contract opportunity process:

1. To reject any and all proposals and to reissue a notice of contract opportunity at any time prior to execution of a final contract;
2. To issue a new notice of contract opportunity with terms and conditions substantially different from those set forth in a previous notice of contract opportunity;
3. To issue a new notice of contract opportunity with terms and conditions that are the same or similar as those set forth in a previous notice of contract opportunity in order to obtain additional proposals;

4. To extend a notice of contract opportunity in order to allow for time to obtain additional proposals prior to the notice of contract opportunity application deadline; or,
5. To cancel a notice of contract opportunity with or without issuing another notice of contract opportunity.

E. Proposal Selection Process and Authority's Reservation of Rights in Connection with Selection of Proposal (s) for Review

The Authority reserves and may exercise any one or more of the following rights and options with respect to its selection process:

1. To reject any proposal if, in the Authority's sole discretion, the proposal is incomplete, the proposal is not responsive to the requirements of a notice of contract opportunity, or it is otherwise in the best interest of the Authority to reject the proposal;
2. To supplement, amend, substitute, or otherwise modify a notice of contract opportunity at any time prior to award of one or more Applicants for negotiation;
3. To reject the proposal of any Applicant that, in the Authority's sole judgement, has been delinquent or unfaithful in the performance of any contract with the Authority, or technically incapable or is otherwise not a responsible Applicant;
4. To reject as informal or non-responsive, any proposal which, in the Authority's sole judgement, is incomplete is not in conformity with applicable law, is conditioned in any way, deviates from the notice of contract opportunity, or contains erasures, ambiguities, alterations or items of work not called for by the notice of contract opportunity;
5. To waive any informality, defect, non-responsiveness and/or deviation from the notice of contract opportunity that is not, in the Authority's sole judgement, material to the proposal;
6. To permit or reject, at the Authority's sole discretion, amendments (including information inadvertently omitted), modifications, clarifying information, alterations and/or corrections to proposals by some or all of the Applicants following proposal submission and before contract award and/or contract execution.
7. The Authority further reserves the right to conduct on-site investigations of the Applicants facilities or of those facilities where the Applicant performs its services. Proposals will be evaluated, in part, according to whether the Applicant meets the minimum qualifications and submits a proposal complying with all of the requirements of the notice of contract opportunity.

8. The Authority reserves the right to enter into negotiations with any or all Applicants regarding price, scope of services, or any other term of their proposals, and such other contractual terms as the Authority may require, at any time prior to execution of a final contract.
9. The Authority may, at its sole election, enter into simultaneous, competitive negotiations with multiple Applicants or negotiate with individual Applicants either together or in a sequence. Negotiations with Respondent (s) may result in the expansion or reduction of the scope of services, or changes in other terms and submitted proposals. In such event, the Authority shall not be obligated to inform other Applicants of the changes, or to permit them to revise their proposals in light thereof unless the Authority, in its sole discretion, determines that doing so is in the Authority's best interest. The Authority may accept or reject any or all of the items in any proposal and award the contract in whole or in part if it is deemed in the Authority's best interest.
10. In the event negotiations with any Applicant (s) are not satisfactory to the Authority, the Authority reserves the right to discontinue such negotiations at any time; to enter into or continue negotiations with other Applicants; to reissue the notice of contract opportunity in order to solicit new Applicants. The Authority reserves the right not to enter into any contract with any Applicant, with or without the re-issuance of a notice of contract opportunity, if the Authority determines that such is in the Authority's best interest.

#### F. Confidentiality and Public Disclosure

The successful Applicant shall treat all information obtained from the Authority, which is not generally available to the public as confidential and/or proprietary to the Authority. The successful Applicant shall exercise all reasonable precautions to prevent any information derived from such sources from being disclosed to any other person. The successful Applicant agrees to indemnify and hold harmless the Authority, its officials, and employees, from and against liability, demands, claims, suits, losses, damages causes of action, fines, and judgments (including attorney's fees) resulting from any use or disclosure of such confidential and/or proprietary information by the successful Applicant or any person acquiring such information, directly or indirectly, from the successful Applicant. The Authority's legal obligations shall not be limited or expanded in any way by an Applicant's assertion of confidentiality and/or proprietary data.