



Raleigh
Housing
Authority

Request for Proposals for Independent Auditing Services

For Fiscal Year Ending March 31, 2025

With Annual Renewal Options for FYEs:

March 31, 2026

March 31, 2027

March 31, 2028

March 31, 2029

Date Issued: February 17, 2025

Proposal Deadline:

No later than 11:00 a.m. on March 14, 2025

**Request for Proposal
Independent Auditing Services
For Fiscal Year Ending March 31, 2025
With Annual Renewal Options for Fiscal Years Ending
March 31, 2026, through March 31, 2029**

Introduction

In compliance with Title 2 of the U.S. Code of Federal Regulations (“CFR”), Part 200.320, the Housing Authority of the City of Raleigh, North Carolina (“Authority”) hereby invites qualified independent auditors (“Respondents”), having sufficient governmental accounting and auditing experience in performing audits in accordance with the specifications outlined in this Request for Proposal (“RFP”), to submit a competitive Proposal to conduct an independent audit of the Authority’s annual financial statements and associated compliance and internal controls for the fiscal year ending (“FYE”) March 31, 2025. The contract will be renewable annually for an additional four FYEs at the option of the Authority: March 31, 2026; March 31, 2027; March 31, 2028; and March 31, 2029.

Should the Authority wish to amend the contents of this RFP, the Authority will issue an addendum to the RFP setting forth the nature of the modification(s). The Authority will email any addenda to Respondents of this RFP. It shall be the responsibility of each Respondent to ensure they have any/all addenda relative to the RFP.

No requirement and/or specification should be construed as an attempt by the Authority to limit competition. However, the nature of the Authority’s audit requirements may result in the elimination of a number of prospective Respondents.

Solicitation of the Proposals does not commit the Authority to pay any costs incurred in the preparation or submission of Proposals throughout the entire selection process. Any and all costs related to responses to this RFP and related activities are the responsibility of the Respondent.

All information in this RFP reflects the best data available to the Authority at the time the RFP was prepared. This information is furnished for the convenience of potential Respondents. The Authority assumes no liability for any errors or omissions.

General Information

The Authority, a public body corporate and politic, organized under the laws of the State of North Carolina, a “public housing agency” as defined in the U. S. Housing Act of 1937, was organized in 1938 with the mission of providing safe, quality, affordable housing to low and moderate income families in the greater Raleigh community; and to promote responsibility and self-sufficiency of residents while maintaining the fiscal integrity of the agency.

The Authority is headed by a Chief Executive Officer (“CEO”) and a nine-person Board of Commissioners (“Board”) and is subject to the requirements of Title 24 of the CFR and the policies adopted by the Authority. The purpose of the Authority is to engage in the development, acquisition, leasing, and administration of housing programs for low- and moderate-income families in accordance with the rules and regulations, and the Authority’s contracts with the U. S. Department of Housing and Urban Development (“HUD”). The majority of Authority revenue is derived from dwelling unit rentals and federal subsidies. The Authority maintains its accounting records at 900 Haynes Street, Raleigh, NC 27604. The Authority funded its Other Post Employment Benefits (“OPEB”) through an irrevocable trust administered by the State of North Carolina. The last audit was performed for FYE March 31, 2024.



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The Authority's wholly owned non-profits, Capitol Area Developments, Inc., ("CAD") and Oak City Affordable Communities, Inc., ("OCAC") are included in the audit as Component Units. At the direction of CAD's Board of Directors, a separate contract may be executed for the issuance of a separate audit report for CAD. Timely preparation and filing of the applicable IRS form 990 and related schedules and any tax forms with the NC Department of Revenue are part of this RFP. CAD is the owner of two Low Income Housing Tax Credit (LIHTC) properties (Halifax Senior Housing, LLC and Chavis Senior Housing, LLC).

At the direction of OCAC's Board of Directors, a separate contract may be executed for the issuance of a separate audit report for OCAC. Timely preparation and filing of the applicable IRS form 990 and related schedules and any tax forms with the NC Department of Revenue are part of this RFP.

The Authority

The Authority anticipates the award of a firm, fixed price contract resulting from this solicitation. In the event the Respondent to which the contract is awarded does not execute a contract within thirty (30) days after such award, the Authority may give notice to such Respondent of intent to award the contract to the next ranked Respondent or to call for new Proposals.

Audit Objectives and Statement of Work

1. The objective of the audit is to provide an opinion on the financial statements taken as a whole. The audit shall be performed in accordance with the following standards and guidelines as applicable:
 - a. HUD Audit Guide and Public and Indian Housing Compliance Supplements.
 - b. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) with provisions of the Single Audit Act.
 - c. The Federal Compliance Supplement for Single Audits for State and Local Governments.
 - d. Auditing and reporting provisions of the applicable HUD Audit Guide for Lower Income Housing Program for use by Independent Public Accountants.
 - e. OMB Circular A-128, Audits for State and Local Governments.
 - f. Guidelines on Reporting and Attestation Requirements of Uniform Financial Reporting Standards ("UFRS").
 - g. Any applicable requirements of the Governmental Accounting Standards Board ("GASB").
 - h. Generally Accepted Auditing Standards ("GAAS") as promulgated by the American Institute for Certified Public Accountants ("AICPA").
 - i. Generally Accepted Government Auditing Standards ("GAGAS") as published by the Government Accounting Office ("GAO").
 - j. Standards of Audit for Governmental Organizations, Programs, Activities, and Functions
 - k. Title 24 CFR Part 990.
 - l. Any applicable requirements promulgated and adopted by the Federal Government and/or State of North Carolina including individual grantor agency rules and regulations.
 - m. NC Local Government Commission ("LGC") reporting standards and provisions.
 - n. Other relevant regulations or literature which may amend or supersede these requirements.
2. The audit will be a financial and compliance audit. The audit will cover The Authority's financial statements, internal control systems, and compliance with laws, regulations, contract provisions, and grant agreements that have a direct and material effect on each of its major programs.
3. A planned conference will be held between the audit firm and the Authority's Deputy CEO of Administration and Finance and staff as soon as practicable after the execution of the audit contract.



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The conference will include a review of the Authority policies and procedures, a discussion of audit issues, audit staffing, Authority staffing, scheduling, work papers, and other concerns of either party. At this conference, the audit firm shall provide checklists of materials and data required for the audit.

4. It is anticipated the Authority's financial records will be closed and ready for audit no later than July 1st of each year. Year-end fieldwork should be completed by August 30th of each year. Guidance will be required for new note disclosures. One unbound and 10 bound copies of the report must be ready for distribution by September 30th of each year.

The auditor will be required to fulfill the auditor responsibilities for electronically reporting to HUD the required data and appropriate certifications established by HUD. A Single Audit reporting package will be submitted in a timely manner to each of the following:

- a. The Federal Audit Clearinghouse (Data Collection Form)
- b. The HUD field office which covers NC housing authorities (currently in Greensboro, NC)
- c. The NC Local Government Commission (Data Input Worksheet)

The audited Financial Data Schedule ("FDS") shall be submitted by November 30th of each year contingent upon HUD's acceptance of the Authority's unaudited FDS submission. (This date is subject to changes in Federal reporting requirements).

These deadlines will apply to all renewal option audit periods. Firms that cannot meet these deadlines should not submit a Proposal.

5. Communication with both the Deputy CEO of Administration and Finance and the Director of Finance on the status of the audit during and after the fieldwork is required. The audit manager shall provide daily progress reports throughout the course of the fieldwork including any issues that arise during the course of the audit. The audit firm will immediately advise the Deputy CEO of any compliance comments. Proposed adjusting entries must be reviewed with the Deputy CEO before completion of the audit fieldwork and the exit conference.

Proposed audit adjustments, compliance comments, and recommendations for improvement will be provided to management in final form within five days of notation and must be resolved with the Authority's management prior to the closure of the fieldwork. All adjustments, findings and management comments must be reviewed with the Authority during the exit conference.

6. The report will consist of the following items and any other pertinent information required as part of HUD's Real Estate Assessment Center ("REAC") GAAP Flyer #6 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), or as otherwise required by HUD or the NC LGC. The report will contain the following information:
 - a. Management's Discussion and Analysis.
 - b. Financial Statements (including all applicable footnotes).
 - c. Footnotes on the Summary of Significant Accounting Policies and Federal Non-Cash Assistance.
 - d. Auditor's opinion on the financial statements and the required supplementary schedules.
 - e. Required supplementary schedules (FDS, etc.).
 - f. Report on Compliance and on Internal Control Over Financial Reporting based on an Audit of financial statements performed in accordance with Government Auditing Standards ("GAS"),



Generally Accepted Auditing Standards (“GAAS”), and Statement on Auditing Standards (“SAS”) No. 112.

- g. Report on Compliance with requirements applicable to each “major program” and internal control over compliance in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).
 - h. Schedule of Expenditures of Federal Awards and any applicable notes.
 - i. Schedule of Findings and Questioned Costs (includes Summary of Auditor’s Results and findings in the current and prior year audits).
 - j. Statistical schedules (if necessary).
 - k. Corrective Action Plan (if necessary).
 - l. Data Collection Form.
 - m. Budget to Actual Statements.
 - n. Final Audit Report.
7. All federal and state tax returns and schedules required to maintain tax-exempt status under IRS Code 501 (c) (3) for the Authority’s non-profits, CAD and OCAC, must be part of the Proposal and will be prepared in time to be reviewed by Authority staff and submitted in a timely manner in accordance with IRS and state regulations. Penalties and interest resulting from late preparation will be the responsibility of the audit firm.
- Additionally, any information regarding changes in tax laws and regulatory requirements, including but not limited to Statement of Financial Accounting Standards (“SFAS”) and Governmental Accounting Standards Board (“GASB”), affecting the Authority’s programs should be provided on a timely basis.
8. The audit staff assigned to this contract will be consistent throughout the audit, so the Authority does not need to provide information repeatedly.
9. Accompanying the financial statements, the Auditor will submit a Management Letter of Comments and Recommendations, if applicable, for improvement of program and financial management per the Auditor’s opinion after examining the Authority’s systems. The Management Letter, if any, will provide sufficient background, detail, and documentation of fact to support each item. The CEO or a designee shall have the opportunity to respond, orally or in writing, to these concerns. The Management Letter will incorporate the Authority’s response to each item.
10. The auditor-in-charge will conduct an exit conference with the CEO, the Deputy CEO of Administration and Finance, and the Board of Commissioners’ Finance & Audit Committee to discuss the audit and review the Management Letter. At the exit conference, any concerns and recommendations regarding compliance and internal control shall be discussed.
11. The Respondent’s firm will retain the audit work papers to which the Authority or other governmental units may have access for a period of three years following issuance of the audit. These work papers will also be made available to successor auditors should Respondent’s firm not be the successful bidder in future years.
12. The auditor-in-charge may be asked to present the audit report to the Authority’s Board. If the Board desires this presentation, the associated costs will be added to the fee for the audit contract.



13. Additional information that may assist Responder in preparation of the audit Proposal is enclosed. The completed response to the RFP will be an addendum to the signed contract executed with the successful audit firm.

Each Proposal submitted should contain all information requested in the following sections. Proposals must be submitted in accordance with the guidelines specified in this RFP taking care to address and label all issues identified in this RFP.

Section 1: Firm's Relevant Experience, Past Performance, and Qualifications

Each Respondent submitting a Proposal should possess substantial experience in governmental auditing and public housing authority ("PHA") auditing and have a documented track record of satisfactorily providing the required services for PHAs. Such experience is an absolute prerequisite for acceptance of a Proposal. Each Respondent should include in its Proposal the following items:

1. A summary of the firm's organization and general history including how long the firm has been in business and how many years the firm has performed audits for PHAs.
2. A summary of the firm's expertise and documented track record in PHA auditing including the acceptance rate of first-time submissions of financial data to HUD's Real Estate Assessment Center. The breadth and length of the firm's related experience reflecting demonstrated knowledge of federal regulations including all programs and policies of the U. S. Department of HUD and State of North Carolina audit requirements.
3. A listing of PHA clients for whom audits were performed in the past ten years including the name and address of the PHA, the name, title, phone number, and email address of an appropriate contact person to be used for references. Please indicate the nature of the work performed for these clients, the time periods, the programs, unit size, and complexity of the PHA.
4. A statement concerning the status of the firm's most recent peer review report. If the firm's peer review has been completed, a letter as evidence of satisfactory completion should be provided.
5. (a) A summary of the professionals by title your firm employs for audits of its governmental clients.

(b) A description of specific qualifications of the professional governmental audit experience of each staff member expected to be assigned to the Authority's audit. Provide prior experience specifically auditing PHAs, HUD grants, HOPE VI or similar type redevelopments, and non-profit corporations for fiscal years ending 2004 and later.

(c) Include relevant educational backgrounds, specialized skills, training, or background in public finance, and CPE units in governmental related accounting of each staff member expected to be assigned to the Authority's audit.

(d) Please submit resumes and an organizational chart for all staff to be assigned to this audit.

Staff continuity is of extreme importance to the Authority. All staff assigned to the audit team should be monitored by the Authority. Joint or subcontracting will be allowed at the Authority's discretion, subject to the auditor's justification.



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6. Affirmation that the firm meets the independence requirements of Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, published by the U. S. GAO or any subsequent amendments or superseding revisions. Provide a copy of the firm's Statement of Policy and Procedures regarding Independence under Governmental Auditing Standards (Yellow Book).
7. Affirmation that the firm is properly licensed for public practice as a certified public accountant in the state of North Carolina. Evidence of licenses and professional designations of the firm and the individuals who will perform the audit services.
8. Availability of staff throughout the fiscal year and proposed charges (if any) for assistance with issues and questions that arise which could have an impact on the Authority's financial statements.
9. Indicate whether the firm or individuals assigned to the audit have been the object of any disciplinary or regulatory action by any oversight body during the past 10 years. Also, indicate whether the firm or individuals assigned to the audit have been suspended or debarred by HUD from performing governmental audits or other government activity.
10. Any other information the firm may wish to provide.
11. The name and telephone number of the person to answer questions or provide clarification concerning the Respondent's Proposal.

Section II: Planned Approach to the Audit

This section of the Proposal should describe the auditor's plan for conducting the audit and demonstrate the auditor's capacity and readiness to perform the Audit Objectives and Statement of Work immediately upon execution of a contract with the Authority. Specifically, this section should include the following information:

1. An audit work program and schedule for the FYE 2025 audit. The financial records of the Authority will be available for audit no later than July 1, 2025. The FYE 2025 audit fieldwork should be completed by August 30, 2025.
2. A summary of the firm's planned use of its personnel. This summary should describe how many hours and what level of staff are to be assigned to the various portions of the work program.
3. A summary of the auditor's planned methods of transaction sampling for the various types of transactions (Accounts Payable checks, Housing Assistance Payments checks, etc.).
4. A statement regarding the auditor's determination and level of materiality.
5. A statement as to the amount of assistance that will be expected from the Authority staff, including schedules that will be requested prior to the audit. The Authority has a limited number of accounting staff; they will not be available to prepare additional schedules for use in the audit. Responder's statement and fee estimate should reflect this.
6. A statement regarding the ability of the firm to complete the audit by the dates specified in the RFP in the event of unforeseen or uncontrollable events that would affect the ability of the team to perform the audit.



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Section III: Proposed Audit Fee

Each firm should provide a comprehensive fee schedule for the annual audit with its proposed fee for each year of the audit contract including the optional annual renewal years on Attachment #7, Proposed Fee Form, and Attachment #8, Fee(s) for Period of Performance. These forms will become part of the audit contract.

The Proposed Fee Form requires the audit fee to be shown in terms of:

1. Audit participants by title/type,
2. Number of on-site and off-site hours anticipated for each participant,
3. Hourly cost for each participant,
4. Travel costs,
5. Clerical costs,
6. Anticipated cost if the auditor was asked to prepare the audit report including notes, financials, Management Discussion and Analysis
7. Anticipated cost if the auditor-in-charge is asked to present the audit report to the Authority's Board, and
8. Additional cost expected, if any, due to the Authority's redevelopment and/or RAD conversion.

The total cost of each year's calculation should be a firm fixed fee for each year of the audit that will be reflected in the audit contract.

It is important for Respondents submitting Proposals to realize the proposed fee, while important, is not the only, or even the primary criterion for auditor selection. Each Respondent should submit a proposed fee that will adequately cover the actual costs of performing the audit.

The information included on Attachment #1, Size and Complexity of the Authority, and Attachment #2, Information on the Authority's Fund Types, is intended to aid Respondents in preparing proposed audit fees. Additional relevant information that should be considered by the Respondent firm is listed below.

1. Authority staff will assist the Auditor as much as possible with locating documents or transactions required for the audit. Most of the materials needed for auditor inspection will be kept in an accessible, central location during the entire length of the audit.
2. Authority staff will produce prepared work papers in PDF format where possible.
3. Authority staff will independently draft the unaudited FDS, comprehensive work papers, consolidated financial statements, the Management's Discussion and Analysis, and the notes to the financial statements as timely as possible.

SAS No. 115, Communicating Internal Control Related Matters Identified in an Audit, addresses control deficiencies which may be identified in an audit engagement. The Authority has a system of internal control over the general ledger and the preparation of its financial statements. The Authority has demonstrated its staff is capable of drafting its financial statements. The Authority's interpretation of SAS No. 115 allows the auditor to prepare the financial statements without creating a control deficiency. Auditors with differing interpretations should include a statement to this effect in their response to this RFP.

4. All clerical work involved in the preparation of the final audit report and any other schedules, verifications, etc. will be the responsibility of the auditor.



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Instructions for RFP Submissions

Each Respondent is to become familiar with the contents, locations, and nature of requests covered by this RFP. Any failure to understand any aspect of this RFP is the responsibility of the Respondent.

Absence of any of the requested information may lead to a determination of non-responsiveness that may result in automatic elimination. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a Proposal.

No change to the Statement of Work, or to any other terms and conditions of this solicitation will be made orally to any Respondent. No oral interpretation of the RFP's requirements will be given to any Respondent. Requests for clarification or interpretation of this RFP must be received by email to purchase@rhanc.gov with a copy jfarrell@rhanc.gov at least 5 business days before the submission due date and time.

Prior to actual submission of Proposals, Respondents may review copies of the previous audit report and copies of the current financial statements at the Authority's offices. These meetings must be arranged in advance and any travel costs associated with such meeting(s) are the responsibility of the auditing firm. Prior arrangements should be made by email to jfarrell@rhanc.gov.

All addenda will be in written form and will be sent to each potential Respondent via email with an acknowledgement of receipt. **Copies of all inquiries and the Authority's responses will be sent to all Respondents who received a copy of this RFP from the Authority no later than March 14, 2025.** All such addenda will become part of this RFP.

Proposals in response to this "RFP" (one electronic copy) are due no later than 11:00 AM EST, March 14, 2025, and should be addressed as follows:

To: Jim Farrell at jfarrell@rhanc.gov

Subject: PROPOSAL: AUDIT SERVICES

Proposals must arrive by the specified date and time, regardless of the postmark date. Submitting a response to the RFP at the Authority on or before the stated time and date will be solely and strictly the responsibility of the Respondent. Proposals must be valid for a minimum of 90 days after the submission deadline to allow sufficient time for executing the audit contract.

Negligence in preparing Proposals confers no right to make modifications or to revoke or withdraw Proposals after the time set for opening of the Proposals. If a firm wishes to withdraw its Proposal, it may do so by email prior to the March 14, 2025 deadline.

Proposals will be securely held in confidence unopened until 11:00 a.m. on Friday, March 14, 2025. At that time, Proposals will be opened, recorded, and the evaluation process will begin. Proposals are not publicly opened.



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Evaluation and Selection

Evaluation and selection of an audit firm will be based on the information submitted in the Proposal, references obtained, and any required on-site visits or oral presentations. The Authority anticipates it will select a minimum of a three-person committee to evaluate each of the responsive Proposals. Selection of the successful firm will be made after a comprehensive review of all responsive Proposals. Evaluation will occur over a two-week period from the opening date. Questions regarding the evaluation and selection should not be directed to the Authority as all information regarding the evaluation and selection has been presented in this proposal.

Respondents may be requested to respond to additional questions or to meet with the Authority staff to discuss their submissions. The Authority may request supplemental information to provide the Respondent an opportunity to clarify any unclear areas or discuss any prominent points concerning the Proposal. Respondent's choosing to submit a Proposal should be willing to provide such information, if necessary, at its own expense. As a result of the supplemental information, the Authority may modify its choice of a selected firm.

Based upon the Authority's Proposal review and conference, the record of the Proposals will be forwarded with a recommendation for contract award to the Authority's Board. The firm best meeting the Authority's expectations for experience, audit approach, and fee requirement will be recommended to the Board. The recommendation will be the Proposal that is in the best interest of the Authority. While the fee is an important factor, it will not be the sole determining factor. Unusually low bids that are obviously out of line with other bidders or are significantly lower than the Authority's current fees will raise concern. The lowest bid will not automatically be awarded preferential consideration.

Following Board approval, the audit firm to whom the award is made will be notified at the earliest practical date and a contract will be executed. If contract negotiations cannot be concluded successfully with the highest scoring Respondent, the Authority may negotiate a contract with the next highest scoring Respondent. Proposals will not be released in any manner until after contract execution. Respondents will receive notification by email of which audit firm was selected for the award.

All matters set forth in a Proposal shall become the property of the Authority, may be disclosed by the Authority, and may be made available by the Authority for public inspection after the execution of the contract.

The agreement between the Authority and the selected firm will be evidenced by a written contract, which shall incorporate this RFP, the Proposal, and any related correspondence. In executing such contract, the firm agrees to be bound by the terms and conditions of this RFP, and that all representations, warranties, and commitments in the Proposal and related correspondence are contractual obligations. In the event of any conflict in the terms and conditions between the RFP, the Proposal, and any related correspondence, the RFP shall control.



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Reservation of Rights

The Authority reserves the right to:

- Withdraw the RFP at any time.
- Accept or reject any and all Proposals.
- Take exception to these RFP specifications.
- Waive or modify any irregularities or informalities in the Proposal received whenever the Authority determines that such rejection or waiver is in its best interest.
- Reject Proposals from any firm who has previously failed to perform properly and/or complete work or contracts in a timely manner, does not comply with the requirements of this RFP, or is not in a position to perform the contract.
- Reject any Proposal submitted by a firm not possessing the necessary governmental and PHA auditing experience.
- Be the sole judge of suitability of the services for its intended use.
- Be under no obligation to select an audit firm as a result of this RFP and make no award or decline to enter negotiations should it believe no Respondent to this RFP would be capable of delivering the necessary level of service within an acceptable fee range and/or time period.
- Negotiate the fees and charges contained in the Proposal and is not obligated to accept a Proposal based upon the lowest fee schedule.

While a numerical rating system may be used to assist in making a recommendation, the award decision is ultimately a business decision that will reflect an integrated assessment of the relative merits of the Proposal using the factors and their relative weights as disclosed in the RFP.

Evaluation Factors: Audit Proposals will be evaluated using the following criteria:

1. Mandatory Requirements (2 point per item; 10 points total):
 - a. The audit firm is independent (SAS 70)
 - b. The audit firm is licensed to practice accountancy in the State of North Carolina
 - c. Staff has maintained CPE requirements.
 - d. The audit firm submits a copy of their most recent peer review.
 - e. The audit firm has a record of quality audit work.
2. Technical Requirements - Expertise and experience of the firm auditing PHAs from 2020 to date (70 points):

Organization, size, and structure of the firm pertaining to PHA audits	10 points
Technical and professional qualifications of the staff (relevant to PHA audits) who will be working directly with the Authority	10 points
Firm's past experience and satisfactory performance with similar PHA engagements	10 points
Experience of the on-site auditors conducting PHA audits	10 points
References from at least five other PHAs of a comparable size to the Authority	5 points
Audit Approach including the partner's time on-site working directly with the Authority	10 points
Responses to the requests made in the RFP	5 points
PIH/REAC acceptance rate on first-time financial submissions	5 points
Results of PIH/REAC Quality Assurance Audits	5 points

3. Fees for services (20 points)

The RFP and the Proposals to the RFP will be an addendum to the executed contract with the successful audit firm. The successful candidate will prepare an Audit Engagement Letter in accordance with AICPA standards.



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Attachment 1 - Size and complexity of the Authority

Bank Accounts: See attached listing

Basis of Accounting: Modified Accrual

Number of active funds/ledgers: 30 (including Housing Choice Vouchers, Emergency Housing Vouchers, Moderate Rehabilitation Program, a Central Cost Center, 12 Public Housing Properties, 4 Rental Assistance Demonstration "RAD" properties, 2 tax credits, 4 affordable rate properties, 1 Business Activities, and 1 Other AMP in accordance with HUD's Asset Management guidelines).

Accounts Payable - Number of checks FYE 2024: 3,875

Centralized Inventory for maintenance supplies valued at approximately \$443,460.

Personnel/Payroll:

- Automated Data Processing ("ADP") processes all payroll checks, direct deposits, W-2s, tax liability, and reporting
- Number of positions (full and part-time): 130
- Frequency of payroll: Bi-weekly (26 times per year plus a longevity payroll in December)

Procurement - Number of purchase orders issued FYE 2024: 2,700

Waiting List: The waiting list is currently closed. The Authority utilizes a site-based waiting list for its three revitalized sites and its scattered site single family homes. All other properties use a centralized waiting list.

The Authority's financial records are computerized, using software purchased from and maintained by Yardi. The following applications are on this system:

- General Ledger
- Accounts Payable
- Section Eight
- Tenant Accounting
- Tenant Applications
- Procurement
- Inventory
- Work Orders

The following applications are on a separate system:

- Fixed Assets (Depreciation Solutions)



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Attachment 2 – Specific information on the Authority’s fund types.

The Authority possesses a financial structure that is considered moderately complex for this type of governmental unit. The Authority has active Capital Fund Program (“CFP”) grants and Replacement Housing Factor (“RHF”) grants. Completed federal grants will require closeout audits. These grants typically cross the fiscal year being audited.

The Raleigh Housing Authority (RHA) is advancing its redevelopment initiatives, which include exploring opportunities under the Rental Assistance Demonstration (RAD) program. Having already transitioned some units to RAD, RHA is evaluating the potential for additional conversions to enhance long-term financial sustainability.

The Authority anticipates beginning a major redevelopment project within the next few years. This project may involve securing a loan through HUD’s Operating Fund Financing Program (OFFP) and utilizing Housing Opportunity through Modernization Act of 2016 (HOTMA) funding. Additionally, the redevelopment could include the construction of market-rate units, thereby increasing the total unit count for RHA’s component unit, Capitol Area Developments, Inc. (CAD).

RHA remains committed to assessing the financial and operational benefits of expanding its participation in the RAD program to support its mission of providing quality affordable housing

A list of programs to be audited, including the current budget and number of units follows. This information is subject to change if additional grants or funding are received prior to the current fiscal year end.

Operating Programs	Units	FYE 2024 Budgeted Income
Public Housing - 12 AMPs and 1 Other AMP	1,248	\$ 5,803,037
Central Cost Center (CCC)	N/A	4,509,395
Section Eight - Housing Choice Vouchers (HCV)	4,189	42,128,925
Section Eight – Emergency Housing Vouchers (EHV)	152	1,369,776
Section Eight - Lower Income Moderate Rehabilitation	46	437,874
CAD - Affordable Units	429	5,616,096
OCAC – RAD Properties	193	2,297,657
Local Non-federal Fund	N/A	1,937,041
Capital Programs		Capital Budgets
Capital Fund Program (CFP)	N/A	
2022		\$4,316,804
2023		\$3,650,953
2024		\$3,701,800
Replacement Housing Factor (RHF)	N/A	

The Authority implemented full Asset Management with Fee for Service method for FYE March 31, 2009. The CCC operates as a separate business unit within the Authority. Staffing is identified by three main categories:

- Front Line staff: Site-based and directly applied to the AMP.
- Shared Resource staff: Assigned over a range of AMPs.
- Centrally Provided Services: Staff such as skilled maintenance technicians.



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Attachment 3 – Required Supplemental Information regarding the Authority’s funding of its OPEB liabilities as of FYE 2024

Attachment 4 – Required Supplemental Information regarding the Authority’s funding of its Pension liability as of FYE 2024

Attachment 5 – Schedule of Findings and Questioned Costs from FYE 2024

Attachment 6 – Schedule of Expenditures of Federal Financial Awards from FYE 2024

Attachment 7 – Contract

The rules and regulations governing the execution of the audit are contained in the audit contract. The audit contract and all additional attachments are considered an integral part of the RFP.

****Note: Attachments 3-7 are available via email and copies may be picked up at the front desk of 900 Haynes St during business hours of 8:30am-5pm.** Requests for these attachments can be made by email to purchase@rhanc.gov with a copy to jfarrell@rhanc.gov at least 5 business days before the submission due date and time.



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Attachment 8 – Proposed Fee Form

Explanation of the firm's fee structure relative to the Statement of Work including the fixed fee maximum hourly rate for each level of employee who will be involved in performing the audit services and an explanation of any other fees including charges for out-of-pocket expenses. The computation should show the amount of time estimated for each level of staff expected to be assigned to the audit. The computation should be in the following format:

Level of Service	Rate per Hour	Estimated Hours On-site	Estimated Hours Off-site	Amount
Partner				
Manager				
Senior Staff				
Intermediate Staff				
Staff Assistant				
Support				
Expenses				
Total				

Proposals must also be broken down between Low-Rent Public Housing AMPs, the CCC, HCV, Section 8 Lower Income Moderate Rehabilitation, CFP, RHF, Local Fund, and the Authority's non-profits CAD and OCAC.

The Proposed Fee Form, Audit Contract, and all requested materials will be considered part of a completed Proposal.

Attachment 9 – Fee(s) for Period of Performance:

The period of performance will be for the fiscal year ending March 31, 2025. The option to renew will be evaluated each year and will be provided by written notice. The total duration, including all annual options to renew, shall not exceed 5 years. Please include a firm fixed fee for the proposed work for each FYE. The proposed fees are inclusive of all necessary costs to provide the proposed services, including but not limited to: employee costs and benefits, clerical support, overhead, profit, supplies and materials, licensing, insurance, travel expenses, etc. The fee for which Respondent's firm is willing to perform the audit should be stated for each year separately as a firm fixed fee:

Annual Audit FYE 2025	\$
Annual Audit FYE 2026 (optional renewal)	\$
Annual Audit FYE 2027 (optional renewal)	\$
Annual Audit FYE 2028 (optional renewal)	\$
Annual Audit FYE 2029 (optional renewal)	\$

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Raleigh Housing Authority