

South Suburban Land Bank and Development Authority

**Request For Proposals
For
Professional Auditing Services**

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Audit Proposal
May 31, 2019

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INTRODUCTION

General Information

The South Suburban Land Bank and Development Authority (hereafter referred to as the “Authority” or “SSLBDA”) will receive proposals for audit services relating to the audits for the year ended December 31, 2017, and the years ending December 31, 2018 and December 31, 2019. The Authority shall also have the sole option to extend the term for up to two additional years. Attached is information relating to minimum specifications of services, data to be included in the proposal, evaluation criteria, and selected information relating to the entity to be audited.

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the firm and will not be reimbursed by the Authority.

Sealed proposals will be accepted until noon Monday, July 1, 2019, at the Authority office, 17730 Oak Park Avenue, unit D, Tinley Park IL 60477. Those submitting sealed proposals should address them to the SSLBDA attn. Russ Rydin. Clearly mark proposals "Audit Services" in the lower left hand corner of the envelope. Failure to do so may result in premature disclosure of your proposal and therefore disqualify you for further consideration.

It is the responsibility of the firm to insure that the proposal is received by the Authority by the date and time specified above. The contract for services will be awarded by July 31, 2019.

All requests for further information should be directed to Russell Rydin, Executive Director.

At the discretion of the Authority, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

DESCRIPTION OF THE GOVERNMENT

Contact Person

The auditor's principal contact with the Authority will be Russell Rydin, Executive Director, or a designated representative, who will coordinate the assistance to be provided by the Authority to the auditor. Mr. Rydin's email address is russellyrdin@sslbda.org and his telephone number is 708-381-0871. All questions should be submitted via email.

Background Information

The South Suburban Land Bank and Development Authority was formed in 2012 through an intergovernmental agreement passed by the Village of Park Forest, City of Oak Forest and City of Blue Island and now includes 25 municipalities. Land banks exist as a regional economic development tool for municipalities with limited manpower and financial resources to legally hold, manage and develop tax or bank foreclosed properties and put them back into productive use. Eventually, all southland municipalities will be invited to become members. The land bank was made possible by a HUD Sustainable Communities Grant awarded to the South Suburban Mayors and Managers Association (SSMMA) in 2011. The Authority's main funding has come in the form of a grant from the Illinois Attorney General through a national settlement with the nation's five largest bank servicers.

NATURE OF SERVICES REQUIRED

General

The Authority is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the year ended December 31, 2017 and the years ending December 31, 2018 and December 31, 2019 (with up to a 2 year extension at the sole option of the Authority).

The Authority plans on preparing its own financial statements, complete with a management's discussion and analysis. The general ledger is maintained on QuickBooks. The Authority records all of its financial activity in a single Enterprise Fund.

The Authority issues about 15 checks per month from its checking accounts and has money market accounts as well. There are currently two full-time employees and no employee benefit plans. The Authority has approximately 170 properties/parcels in its possession; the number will fluctuate as properties are acquired and sold.

Scope of Work to be Performed

The Authority wishes the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

Professional Standards to be Followed

To meet the requirements of this RFP, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.

Reports to be Issued

The auditor shall prepare, print and assemble the following reports, schedules and other documents subject to changes required by GAAP or otherwise mandated by Federal or State authority (minimum of two paper copies, unless more are specified):

- a) Report on the fair presentation of the basic financial statements and an “in-relation” to report on any supplemental financial schedules.
- b) Management Letter commenting on internal controls.
- c) Communications required by SAS114.
- d) Letter of Representation.
- e) Confirmation Letters.

PROPOSAL REQUIREMENTS

Profile of Proposing Firm

- a) State whether the firm is a local, national, or international firm and include a brief description of the size of the firm.
- b) Describe the local office from which the work is to be performed.
 - 1. Location of office
 - 2. Current Size of office
 - 3. The size of professional staff by level, such as partner, manager and supervisor, senior and other professional staff.
- c) Any other information required to describe the office that will be performing the work.

Qualifications

- a) Describe recent local office auditing experience with similar audits to which the proposal relates. If appropriate, include regional experience in auditing similar entities.
- b) Include resumes for all professional members who will be assigned to the audit. Resumes should be included for all members of the audit team from the audit partner through at least the on-site in-charge accountant. The resumes should include:
 - 1. The amount of experience the individual has in the auditing profession.
 - 2. A summary of similar audits the individual has worked on.
 - 3. A statement affirming the continuing professional education of the individual is in compliance with requirements of *Government Auditing Standards*.
- c) Briefly describe the firm's system of quality control to ensure the audit is adequately performed.
- d) Include three audit client references.

Scope of Services and Proposed Project Schedule

Briefly describe the firm's understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract will be issued on the date given in the cover letter, including the approximate dates the firm would perform field work, office review, and report generation and the latest delivery date of the final report.

Fees and Compensation

Provide the following:

- a. Estimated hours to complete the audit.
- b. The hourly rate by staff classification.
- c. Estimated out-of-pocket expenses.
- d. The all-inclusive maximum fee and out-of-pocket expenses, which will not be exceeded.
- e. The frequency and timing of the firm's billing process.

EVALUATION CRITERIA

The proposal will be evaluated based upon the following areas. Therefore, it is important that the proposal be responsive to data requested.

Qualifications

- Organization structure and size of firm
- Recent experience in similar audits
- Qualifications of the audit team and number of individuals experienced in government auditing.
- Understanding of the work and timetable to complete the engagement.

Cost

Overall cost, including out-of-pocket expenses for performance of the audit.

Submission of Proposals

All submissions should include 5 copies of the firm's proposal. These documents will become part of the agreement between the firm and the South Suburban Land Bank and Development Authority.

OTHER PROVISIONS

Termination by the SSLBDA

Funds for this contract are payable from the SSLBDA's funds. In the event no funds or insufficient funds are appropriated and made available for payments due under this contract, then The SSLBDA shall immediately notify the audit firm of such occurrence, and this contract shall create no further obligation of The SSLBDA as to such current or succeeding fiscal year and shall be null and void, except as to the portions of payments herein agreed upon for funds which shall have been appropriated and budgeted. In such event, this contract shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to The SSLBDA of any kind whatsoever. No right of action or damages shall accrue to the benefit of the audit firm as to that portion of this contract, which may so terminate. The SSLBDA shall provide the successful audit firm with notice not less than thirty (30) days prior to the date of cancellation, if such time is available. Otherwise, prompt notice will suffice. In the event of occurrence of the circumstances described immediately above, the audit firm shall not prohibit or otherwise limit the State's right to pursue and contract for alternate solutions and remedies as deemed necessary by The SSLBDA for the conduct of its affairs. All provisions stated herein shall apply to any amendment or the execution of any option to extend the contract.

Approval of Use of Names

The audit firm shall not have the right to include the SSLBDA names in its published list of customers without prior approval. With regard to news releases, only the name of the audit firm, type and duration of the contract may be used and then only with prior approval of the SSLBDA. The audit firm agrees not to publish or cite in any form any comments or quotes from The SSLBDA Board members, officials or staff. The audit firm further agrees not to refer to the award of this contract in commercial advertising in such a

manner as to state or imply that the services provided are endorsed or preferred by The SSLBDA.

Employment of Personnel

In all hiring or employment made possible by or resulting from the contract and in accordance with 45 CFR Parts 90 and 91 (1990), the audit firm agrees that:

- (1) There shall be no discrimination against any employee or applicant for employment because of handicap, age, race, color, religion, sex, or national origin, and
- (2) Affirmative action shall be taken to insure that applicants are employed, and that
- (3) Employees are treated during employment without regard to their handicap, age, race, color, religion, sex, or national origin.

This requirement shall apply to, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The audit firm further agrees to give public notice in conspicuous places available to employees and applicants for employment setting forth the provisions of this section. All solicitations or advertisements for employees shall state that all qualified applicants shall receive consideration for employment without regard to handicap, age, race, color, religion, sex, or national origin. All inquiries made to the audit firm concerning employment shall be answered without regard to handicap, age, race, color, religion, sex or national origin. All responses to inquiries made to the audit firm concerning employment made possible as a result of the contract shall conform to Federal, State, and local regulations.

Assignment

No contract or its provisions may be assigned, sublet, or transferred without the written consent of the SSLBDA.

Political Activity

The audit firm shall comply with all applicable provisions of the Federal "Hatch Act", as amended.

Restrictions for Lobbying

In accordance with 31 USC 1352, funds received under this contract may not be expended to pay any person or influencing or attempting to influence as officer or employee of any agency, a member of Congress, an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or any employee of a member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. This restriction is applicable to all subcontractors and must be included in all subcontracts.

Compliance with State & Federal and Local Regulations

The audit firm shall comply with all applicable Local, State and Federal laws and regulations. Local, State or Federal requirements that are more restrictive shall be followed.

Americans with Disabilities Act (ADA)

The audit firm shall comply with the 504/ADA, as applicable.

Debarment Certification

The audit firm and all required individuals agree to comply with the applicable provisions of 45 CFR Part 76 (1990).

Audits and Reviews

The audit firm shall, throughout the life of the contract, participate in State and Federal audits of the SSLBDA as necessary. The Audit firm shall provide support to The SSLBDA during any and all audits.

The support shall include, but shall not be limited to, producing documentation, gathering data, preparing reports or correspondence, and assisting The SSLBDA in responding to questions.

Grant Agreements

The SSLBDA may use funding from State, federal and private grants and loans to pay for some and/or all of the services contemplated in this request. These funds may have specific requirements which may need to be followed by vendors, contractors and sub-recipients of the funding including audit firms. The Audit firm must comply with all such grant and loan requirements that are provided by SSLBDA.

Other

This request does not commit the SSLBDA to award a contract, to pay any cost incurred in the preparation of qualification statements submitted, or to procure or contract for the services. SSLBDA reserves the right to accept or reject any, all or any part of the submissions received as a result of this request, or to cancel in part or in its entirety this request if it is in the best interest of the SSLBDA to do so. The SSLBDA will be sole judge as to whether qualification statements submitted meet all requirements contained in this solicitation. The SSLBDA reserves the right to reject any and/or all proposals, and waive any irregularity in proposals received, whenever such rejection or waiver is in the best interest of SSLBDA.

Minority, Disadvantaged, Women and Veteran owned businesses are encouraged to respond to this request.