

REQUEST FOR PROPOSALS (RFP) 2014-04
AUDITING SERVICES
FOR
FLORIDA HOUSING FINANCE CORPORATION

July 31, 2014

SECTION ONE INTRODUCTION

A. The Florida Housing Finance Corporation (“Florida Housing”) is soliciting proposals from qualified certified public accounting firms to provide auditing services as generally described in Section Four of this Request for Proposals (RFP). Florida Housing intends to award a single contract to an Offeror who will provide all of the auditing services specified in this RFP. Both Joint Venture and subcontract proposals are acceptable. All Subcontractors and Joint Ventures must be specified, and all professional criteria outlined in this RFP will apply to any Subcontractors or Joint Ventures except as otherwise provided herein.

B. Florida Housing was created by Chapter 420, Part V, Fla. Stat. as a public corporation. It is a discretely presented component unit of the State of Florida for financial reporting purposes.

C. Florida Housing issues bonds and allocates federal tax credits, federal and state funded programs to finance single family and multifamily affordable housing in the State of Florida. Bonds issued by Florida Housing (other than the Guarantee Program issues, if any) are payable, both as to principal and interest, solely from the assets of the various programs which are pledged under the resolutions authorizing the particular issues. These issues do not constitute an obligation, either general or special, of Florida Housing, the State of Florida or of any local government herein.

D. In conjunction with the refunding of certain multifamily revenue bonds, Florida Housing and HUD signed a FAF Agreement. This refunding reduced interest rates and permitted HUD to recapture Section 8 Funds used to subsidize FAF developments financed by the bonds. HUD also made available to Florida Housing fifty percent (50%) of the net recaptured funds attributable to this refunding to provide decent, safe, and sanitary housing affordable to very-low income families or persons. Eight loans totaling approximately \$4.65 million were outstanding at December 31, 2013.

E. During 2008 and 2009, in accordance with Chapter 420.507(40), Fla. Stat., Florida Housing established new subsidiary business entities for the purpose of taking title to, managing and disposing of property acquired by Florida Housing.

F. Florida Housing’s audited financial statements are available online at: http://apps.floridahousing.org/StandAlone/FHFC_ECM/AppPage_InvestorPage.aspx.

SECTION TWO DEFINITIONS

For purposes of this document, the following terms shall be defined as follows:

“Auditor”	The Offeror awarded a Contract by Florida Housing to provide the auditing services described in Section Four of this RFP.
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“Board”	The Board of Directors of Florida Housing Finance Corporation.
“Committee”	The review committee composed only of employees of Florida Housing that is established pursuant to Fla. Admin. Code, R. 67-49.007.
“Contract”	The document containing the terms and conditions of this Request for Proposals and any other term or condition that is agreed to by the parties.
“Days”	Calendar days, unless otherwise specified.
“Effective Date”	The date the last party signs the Contract that is awarded as a result of this Request for Proposals.
“FAF Agreement”	The Financing Adjustment Factor (FAF) Refunding Agreement between Florida Housing and HUD dated December 1, 1992.
“Florida Housing”	Florida Housing Finance Corporation, a public corporation and public body corporate and politic created by Section 420.504, Fla. Stat.
“Guarantee Program”	The Florida Affordable Housing Guarantee program that Florida Housing administers pursuant to Sections 420.507 and 420.5092, Fla. Stat. and Fla. Admin. Code R. 67-39.
“HUD”	The United States Department of Housing and Urban Development.
“Interested Party”	A person or entity that obtains a copy of this Request for Proposals from Florida Housing.
“Joint Venture”	A legal entity comprised of two or more business entities engaged in the joint execution of a particular transaction for mutual profit. For all intents and purposes regarding this RFP any Joint Venture shall be treated as a partnership, with full responsibilities and liabilities applying severally to each business entity of the Joint Venture.
“Offeror”	Any person or entity who has the capability in all respects to perform fully the requirements contained in this Request for Proposals and submits a response to this Request for Proposals.
“Response”	The written submission by an Offeror to this Request for Proposals.

“RFP”	This Request for Proposals, including all exhibits referenced in this document and all other documents incorporated by reference.
“Subcontractor”	An entity which contracts with the Offeror to perform a specific part or parts of the services undertaken by the Offeror pursuant to this RFP. For the purposes of this RFP, any Subcontractor shall be bound by and shall comply with the provisions of the Contract between Florida Housing and the Auditor regarding the specific part or parts of the subcontracted services.
“Staff”	Any employee of Florida Housing, including the Executive Director.
“Website”	The Florida Housing Finance Corporation website, www.floridahousing.org .

**SECTION THREE
PROCEDURES AND PROVISIONS**

A. An Offeror must submit an original and five (5) copies of the Response in a sealed envelope marked “RFP 2014-04.” Each envelope or package containing Responses must clearly state the name of the Offeror. The Response that is the original must be clearly indicated on that Response. An electronic copy of the Response must also be submitted on a CD or flash drive. Florida Housing shall not accept a faxed or e-mailed Response. Florida Housing must receive any Responses on or before 2:00 p.m., Eastern Time, on August 21, 2014. Responses shall be opened at that time.

Contracts Manager
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301-1329
(850) 488-4197; Fax (850) 414-6548
E-mail: Contracts.Manager@floridahousing.org

B. This RFP does not commit Florida Housing to award a Contract to any Offeror or to pay any costs incurred in the preparation or mailing of a Response.

C. All services under the Contract awarded are to be performed solely by the Contractor, unless subcontracted or assigned with the prior written approval and consent of Florida Housing.

D. Florida Housing reserves the right to:

1. Waive minor deficiencies and informalities;

2. Accept or reject any or all Responses received as a result of this RFP;
3. Obtain information concerning any or all Offerors from any source;
4. Schedule an oral interview before the Review Committee, the Audit Committee of the Board and/or the full Board with any or all Offerors;
5. Select for Contract negotiation or for award, a Response other than that with the highest ranking if, in the judgment of Florida Housing, its and the public's interest shall be best served; and
6. Negotiate with the successful Offeror with respect to any additional terms or conditions of the Contract.

E. Any Interested Party may submit any question regarding this RFP in writing via mail, fax, or e-mail to the Contract Manager at the address given in Section Three, paragraph A. All questions are due by 5:00 p.m., Eastern Time, on August 7, 2014. Phone calls shall not be accepted. Florida Housing expects to respond to all questions in writing by 5:00 p.m., Eastern Time, on August 11, 2014. Florida Housing shall post a copy of all questions received and their answers on Florida Housing's Website at:

<http://www.floridahousing.org/BusinessAndLegal/Solicitations/RequestForProposals/>.

Florida Housing shall also send a copy of those questions and answers in writing to any Interested Party that requests a copy. Florida Housing shall send its answers, by regular U.S. mail, overnight delivery, fax, e-mail or any combination of the above. Only written responses or statements from the Contracts Manager that are posted on our Website shall bind Florida Housing. No other means of communication, whether oral or written, shall be construed as an official response or statement from Florida Housing.

F. Any person who wishes to protest the specifications of this RFP must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, Fla. Admin. Code. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

G. The term of the contract shall be for five (5) years subject to a satisfactory annual performance review at the sole discretion of Florida Housing. If the parties mutually agree in writing, the Contract may be renewed once for an additional five (5) year term. The auditor must be prepared to perform the required services beginning with the year ending December 31, 2014.

H. Florida Housing is not required to utilize the services of any selected Offeror and may terminate any selected Offeror without cause and without penalty.

I. Pursuant to Fla. Admin. Code R. 67-49.004, Florida Housing may modify the terms of the RFP at any point prior to two (2) weeks of the due date for Responses. A notice of such modification shall be posted on Florida Housing's Website and shall be provided to potential Offerors who requested copies of the RFP.

J. The terms of this RFP, and any modifications thereto, shall be incorporated into any Contract offered as a result of this RFP. Failure of a successful Offeror to accept these obligations in the final Contract may result in cancellation of the award at Florida Housing's sole discretion.

K. The Auditor's engagement letter, as agreed upon by Florida Housing and the Auditor, shall be made an exhibit to the Contract. Florida Housing anticipates that the engagement letter shall be effective for a five (5) year period, commensurate with the term of the Contract. If the contract is renewed for the additional five (5) year period, Florida Housing expects that a new five (5) year engagement letter will be executed commensurate with the five (5) year renewal period.

SECTION FOUR SCOPE OF SERVICES

Services to be provided by the Auditor for each fiscal year being audited shall include, but are not limited to, the following:

A. Perform an examination of Florida Housing's financial statements sufficient in scope to allow the Auditor to express its opinion that the financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and present fairly the financial position as of December 31 and the related statements of revenues, expenses, and changes in financial position and cash flows for the year then ended as required by Generally Accepted Auditing Standards (GAAS). Prepare the Independent Auditor's 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). Florida Housing anticipates that all fieldwork shall be completed no later than 120 Days after year-end and that all reports shall be delivered to Florida Housing no later than 150 Days after year-end. All statements will provide for single year presentation unless otherwise instructed by Florida Housing. The statements may or may not include supplementary combining schedules as annually determined by Florida Housing. The scope of the audit shall encompass the activities necessary to establish compliance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants in its Statements on Auditing Standards, as have been incorporated by reference in the Rules of the Florida Board of Accountancy;
2. *Government Auditing Standards*, issued by the Comptroller General of the United States, known as the Yellow Book;
3. The Single Audit Act Amendments of 1996, the Florida Single Audit Act (Section 216.349, Fla. Stat.), and Office of Management and Budget (OMB) Circular A-133 Compliance Supplement (*Audits of States, Local Governments, and Non-Profit Organizations*) and other applicable federal law, as required and as may be amended from time to time, as applicable; and
4. The term "financial audit" as defined in Section 11.45(1)(c), Fla. Stat.

B. Florida Housing's financial statements are required to be prepared in accordance with GAAP. In the event that authoritative bodies, principally the Governmental Accounting

Standards Board (GASB), promulgate modifications to GAAP during the period of the engagement, the Auditor will apprise Florida Housing of such modifications and advise Florida Housing how best to implement such changes.

C. Perform procedures as needed, including, but not limited to, those related to the Affordable Housing Guarantee Program Debt Service Reserve Funds sufficient to comply with Section 420.5092(6)(a), Fla. Stat.

D. Present necessary reports required by applicable standards, laws or rules.

E. Make recommendations to improve the economy and efficiency of Florida Housing operations.

F. Appear before Florida Housing's Board of Directors and/or Audit Committee to make oral presentations of the written reports and as otherwise may be requested by Florida Housing.

G. Retain work papers and reports for a minimum of three (3) years from the date of the audit report unless notified by the Auditor General to extend the retention period.

H. Make all audit work papers available upon request to authorized federal or state of Florida personnel and the Florida Auditor General, or his designee, at the completion of the audit.

I. Transmit to Florida Housing in electronic format one (1) copy of each report as specified in this section. The electronic format shall be as directed by Florida Housing. Any and all deliverables under this contract may be posted to Florida Housing's Website. Florida Housing may also, in other documents such as bond offerings, refer to the deliverables posted on the Website. No deliverable will be reproduced in another document without prior notification to the Auditor.

J. Supervise and monitor all Subcontractors, if any.

K. Acknowledge that all documents or data collected by the Auditor, in furtherance of the Contract services, are public record as defined in Chapter 119, Fla. Stat., subject to any exceptions therein. Florida Housing shall not be prohibited from making any reports which are a product of this RFP available to any parties requesting copies.

L. Perform an examination of a single family or multifamily bond issue or indenture sufficient in scope to allow the Auditor to express its opinion that the financial statements of that issue or indenture have been prepared in accordance with accounting principles generally accepted in the United States of America and present fairly the financial position as of December 31 and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended as required by GAAS, if requested by Florida Housing.

M. Perform procedures and prepare reports required by state or federal oversight agencies, if requested by Florida Housing, including but not limited to:

1. Provide Florida Housing with such additional information as may be reasonably requested of Florida Housing by a federal oversight agency, including an audit report of funds expended or received by Florida Housing.

2. Perform agreed upon procedures triennially or as otherwise required or requested. Such procedures may include:
 - i. a programmatic review of Florida Housing's compliance with the FAF agreement and a review of the assistance provided and the families and persons assisted. The next triennial review is due for the three (3) years ending December 31, 2016;
 - ii. an annual review of the effectiveness of Florida Housing's internal control over compliance related to the administration of the Hardest Hit Fund (HHF) Program.

SECTION FIVE CERTIFICATION

Do not reproduce the language of Section Five in the Response. By inclusion and execution of the statement provided in this Section Six, subsection G, of the RFP, each Offeror certifies that:

A. The Offeror submits this Response without prior understanding, agreement, or connection with any person or entity submitting a separate Response for the same services. However, any agreement with a person or entity with whom the Response is jointly filed and such joint filing is made clear on the face of the Response shall be an exception so long as the Response is in all respects fair and without collusion or fraud.

B. Any material submitted in response to this RFP is a public record pursuant to Chapter 119, Fla. Stat., and subject to examination upon request, after Florida Housing provides a notice of decision pursuant to Section 120.57(3), Fla. Stat., or within ten (10) Days after the Response is opened, whichever is earlier.

C. The Offeror is in compliance with Section 420.512(5), Fla. Stat., which provides:

Service providers shall comply with the following standards of conduct as a condition of eligibility to be considered or retained to provide services. For purposes of paragraphs (a), (b), and (c) only, the term 'service provider' means and is limited to a law firm, an investment bank, or a credit underwriter, and the agents, officers, principals, and professional employees of the service provider.

(a) A service provider may not make contributions in any amounts, directly or indirectly, for or on behalf of candidates for Governor, nor shall any service provider make a contribution in excess of \$100 to any candidate for a member of the State Board of Administration other than the Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of two (2) years thereafter or for a period through the next general election for Governor.

(b) The service provider shall not participate in fundraising activities for or on behalf of

candidates for Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of 2 years thereafter or for a period through the next general election for Governor.

(c) Service providers shall provide to the corporation a statement that the service provider has not contributed to candidates for Governor or contributed in excess of the amounts allowed by this section for a member of the State Board of Administration or engaged in fundraising activities for or on behalf of candidates for Governor in Florida since the effective date of this section or during the 24 months preceding the service provider's application to provide services to the corporation, whichever period is shorter.

(d) The service provider may not engage in prohibited business solicitation communications with officers, members, or covered employees of the corporation.

(e) If a service provider is in doubt as to whether its activities, or the activities of its principals, agents, or employees, violate the provisions of this section, it may request a declaratory statement in accordance with the applicable rule and Section 120.565, Fla. Stat.

(f) If the corporation determines that a service provider has failed to meet the provisions of this section, it shall consider the magnitude of the violation and whether there has been a pattern of violations in determining whether to terminate or decline to enter into Contracts with the service provider.

D. For the purpose of Section 420.512(5), Fla. Stat., "Prohibited Business Solicitation Communications" is defined by Section 420.503(32), Fla. Stat., which provides:

Prohibited business solicitation communication' means a private written or verbal communication between a member, officer, or covered employee of the corporation and a service provider regarding the merits of the service provider and whether the corporation should retain the services of the service provider. The term does not include:

(a) A verbal communication made on the record during a public meeting;

(b) A written communication provided to each member and officer of the corporation and made part of the record at a public meeting;

(c) A written proposal or statement of qualifications submitted to the corporation in response to a corporation advertisement seeking proposals or statements of qualifications as part of a competitive selection process.

(d) A verbal or written communication related to the contractual responsibilities of a service provider who was selected to provide services or who was included in a pool of service providers eligible to provide services as a result of a competitive selection process, so long as the communication does not relate to solicitation of business.

(e) A verbal or written communication related to a proposed method of financing or proposed projects, so long as the communication does not relate to solicitation of business.

E. The Offeror is in compliance with Section 287.133(2)(a), Fla. Stat., which provides in pertinent part:

A person or affiliate, who has been placed on the convicted vendor list, following a conviction for a public entity crime, may not:

1. Submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity;
2. Submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work;
3. Submit bids, proposals or replies on leases of real property to a public entity;
4. Be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and;
5. Transact business with any public entity in excess of the threshold amount provided in Section 287.017, Fla. Stat., for CATEGORY TWO: \$35,000.00, for a period of 36 months from the date of being placed on the convicted vendor list.

F. Pursuant to Section 119.0701(2), Fla. Stat., the Service Provider is required “to comply with public records laws, specifically to:

1. Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the service.
2. Provide the public with access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
4. Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.”

Notwithstanding anything contained herein to the contrary, the provisions and requirements of this paragraph shall only apply if and when Service Provider is acting on behalf of Florida Housing.

G. The Offeror acknowledges that any Offeror selected shall be prohibited from engaging in activities in connection with services related to Florida Housing transactions that produce direct or indirect financial gain for the Offeror other than for the compensation agreed upon in the Contract that results from this RFP, unless that Offeror has Florida Housing's written consent after Florida Housing has been fully informed of such activities in writing.

In addition to the conflict of interest rules imposed by the Florida Statutes, the Offeror that is selected may not engage in any actual, apparent, or potential conflict of interest. Should any such actual, apparent, or potential conflict of interest come into being subsequent to the effective date of the Contract and prior to the conclusion of the Contract, the Offeror shall provide notification (Notice of Conflict of Interest) to Florida Housing, through first class certified mail, return receipt requested, within ten (10) working days, seeking consent from Florida Housing's Executive Director. If the Offeror is found to be in non-compliance with this provision, without written consent from Florida Housing's Executive Director, any compensation received in connection with the Contract shall be subject to forfeiture to Florida Housing. The Offeror, in submitting this Response, acknowledges and agrees that the terms and conditions of this RFP, as well as any modifications thereto, shall be incorporated into any Contract offered as a result of this RFP.

H. CERTIFICATION STATEMENT

THE FOLLOWING SHALL BE REPEATED IN THE APPLICANT'S RESPONSE AND SIGNED BY AN INDIVIDUAL AUTHORIZED TO BIND THE APPLICANT. FAILURE TO INCLUDE THE CERTIFICATION STATEMENT BEARING AN ORIGINAL SIGNATURE SHALL RESULT IN REJECTION OF THE RESPONSE.

"I agree to abide by all conditions of RFP 2014-04 and certify that all information provided in this Response is true and correct, that I am authorized to sign this Response as the Applicant and that I am in compliance with all requirements of the RFP, including but not limited to, the certification requirements stated in Section Five of this RFP."

Authorized Signature (Original)

Print Name and Title

**SECTION SIX
INFORMATION TO BE PROVIDED IN RESPONSE**

In providing the following information, restate each item and sub-item (with its letter and number), limit your Response to one bound volume. Responses to the items must be included immediately after the restated items without any reference to any appendix. Final fee schedule shall be subject to negotiation.

A. GENERAL INFORMATION

1. Provide a description of the Offeror including the year organized, ownership, and the total number of audit staff employees by staff level designation, i.e. senior, manager, etc., a summary of revenues and the percentage of revenues earned from auditing/accounting, tax, management consulting, and other services for the latest year end.

2. The name, job title, address, office and cellular telephone numbers, fax number, and e-mail address of a primary contact person, who will be responsible for day-to-day contact with Florida Housing, and any backup personnel who shall be accessible if the primary contact cannot be reached.

3. Provide documentation of the Offeror's ability to meet the following minimum professional qualifications. These minimum professional qualifications must be met in order to be considered for Contract award.

a. The Offeror must be a certified public accounting firm.

b. The Offeror must have annual auditing/accounting revenues in excess of \$2 million.

c. The Offeror and any Subcontractor must be independent according to applicable standards of the American Institute of Certified Public Accountants and Government Auditing Standards.

d. The Offeror must have performed audits of a state, local government, or an affordable housing finance entity with assets of over \$100 million within the last three (3) years. Related experience with mortgage and commercial banks, with assets exceeding \$500 million that have substantial activity in the origination of mortgage loans may also be acceptable.

e. The Offeror must provide information regarding the identity of proposed Subcontractors or members of a Joint Venture, if any.

f. The Subcontractor, if any, must have performed audits of a state, local government, or an affordable housing finance entity within the last three years. Related experience with mortgage and commercial banks that have substantial activity in the origination of mortgage loans may also be acceptable.

4. Documentation of a minimum of \$3 million in professional liability errors and omissions insurance is required prior to contract signing and annually thereafter. Identify if such insurance is currently in place or briefly describe the plan to have it in place prior to contract signing.

5. Provide evidence of certification from the Florida Department of State that the Offeror, and Subcontractor, if any, is qualified to do business in the State of Florida, and provide a copy of the Offeror's and Subcontractor's current licenses from the Florida Department of Business and Professional Regulation.

B. FIRM EXPERIENCE AND CAPABILITY

1. Describe in detail attestation engagements with a state government, a local government, and/or an affordable housing finance entity with assets of \$100 million and/or related experience with mortgage and commercial banks with assets exceeding \$500 million that have substantial activity in the origination of mortgage loans that clearly support the experience as set forth in the minimum qualifications. Describe how this experience demonstrates the ability to provide the services outlined for the respective activities in Section Four. Include prior experience with Florida Housing, if any.

2. Provide a list of all bond issuing entity clients, including state housing finance entity clients, for which your firm provided professional services within the last three (3) years, including names, addresses, telephone numbers and e-mail addresses. Prior to submittal of the Response, the Offeror must inform the named references that their names are being listed. Selected references may be contacted to determine the quality of work performed and personnel assigned to perform the work. The result of the reference checks will be provided to reviewers to be used in scoring the written Response and may be provided to Board members prior to final selection.

3. Describe the firm's policy on assignment and rotation of engagement partners. Explain the management approach to be used for this engagement to assure maximum effectiveness, efficiency, and benefit. Describe the firm's approach to partner review of work performed under this contract.

4. Document the Offeror's ability to complete assignments in a timely manner.

5. Provide a description of to what extent, if any, the Offeror, and any Subcontractors, including all holding companies and subsidiaries, or any officers or directors or other personnel are now, or have been during the five (5) years ended July 31, 2014, under indictment, investigation or order issued by a regulatory or governmental entity, or engaged in litigation or subject to an order from a court of competent jurisdiction. If any such condition exists, or existed in the time period specified, discuss the outcome and to what extent this could impair the level of service of the Offeror or any Subcontractor. In addition, describe any allegations made against the Offeror or any Subcontractor for the period January 2004 through the date of the proposal of which Florida Housing should be aware.

6. Provide a list of all governmental clients for which the Offeror has performed services during the three (3) years ended June 30, 2014. Identify the type of service provided for each client. Provide contacts and phone numbers for five (5) of these governmental units.

7. Provide a list of all governmental client accounts terminated during the three (3) years ended June 30, 2014 and provide the reason for termination.

8. Provide a copy of the most recent quality control review report and any other documentation regarding an independent review of your procedures, audits or services performed. Include documentation regarding resolution of any conditions identified. Clearly identify any outstanding unresolved items.

9. Describe the Offeror's approach to keeping clients informed of new, proposed or revised accounting pronouncements, standards, guidelines, accounting changes, auditing procedure additions or changes, and changes in markets or in regulations, especially as related to state housing finance agencies.

C. EXPERIENCE/QUALIFICATIONS OF PERSONNEL

1. Identify the engagement partner(s) and manager(s), including Subcontractors, if any, to be assigned to this engagement, including their qualifications, experience and office location(s). All partners and managers assigned during the term of this contract shall be currently active and licensed certified public accountants.

2. Provide the location(s) of the office(s) from which the work on this engagement is expected to be performed and a description of the range of activities performed by the office(s) to be assigned to this engagement.

3. Provide the number or percentage of fieldwork hours that staff is expected to be onsite at Florida Housing.

4. Describe the procedures used by the Offeror, and Subcontractor, if applicable, for changing assigned staff during the audit, including how the quality of staff over the term of the agreement will be maintained.

5. Describe the composition of the audit team by position levels.

6. Describe in detail the extent to which Subcontractors will be used to perform the services including, but not limited to, the number of audit hours or percentage of audit time and the type of audit work to be performed by all Subcontractors.

D. APPROACH TO SERVICES

1. Describe the Offeror's approach to creating and negotiating a letter of engagement for the term of the contract. Provide a copy of the firm's standard format for an engagement letter. Indicate which items in the engagement letter the Offeror expects are non-negotiable, aside from those items required by applicable audit standards. Discuss the Offeror's usual method of conflict resolution.

2. Describe the Offeror's audit approach for the engagement including, but not limited to, the following:

- a. Risk assessment and audit planning.
- b. Use of computer audit and/or other specialists.
- c. Gaining and documenting an understanding of Florida Housing's business, its transactions and internal controls.
- d. The types and formats of client schedules and any other information to be provided by Florida Housing.

- e. Tentative schedule for completing required reports by due dates specified in Section Four of this RFP including tentative dates for performance of interim audit work, if any.
- f. The plan for transitioning from the predecessor auditing firm, if necessary.

3. Describe how the Offeror will develop and provide recommendations on a regular, but no less than annual, basis to improve Florida Housing's present financial management, procedures, and internal controls.

E. COST PROPOSAL

Provide a schedule of fees, including hourly rates for the various staff levels, for the services outlined in Section Four, Scope of Services, Items A. – J. of this RFP. Provide either a flat fee or a maximum amount based on an hourly rate for each service. Include the estimated number of hours for the engagement type. The fee schedule should cover each of the five (5) years of the initial contract term.

***NOT WITHSTANDING THE FOREGOING, THE FINAL FEE SCHEDULE
SHALL BE SUBJECT TO NEGOTIATION***

F. DRUG-FREE WORKPLACE

If the Offeror has implemented a drug-free workplace program pursuant to Section 287.087, Fla. Stat., the Offeror must submit the following signed certification as a part of their response:

"I hereby certify on behalf of the Offeror, under the terms of RFP 2014-06 that the Offeror has implemented a drug-free workplace program pursuant to Section 287.087, Fla. Stat., which include the following requirements:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).

4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any

conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than 5 days after such conviction.

5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee’s community by, any employee who is so convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.”

Authorized Signature

Print Name and Title: _____

G. MINORITY BUSINESS ENTERPRISE

If the Offeror is a minority business enterprise as defined in Section 288.703, Fla. Stat., the Offeror must submit the following signed certification as a part of their response:

“I hereby certify on behalf of the Offeror, under the terms of RFP 2014-06 that the Offeror is a “minority business enterprise” as defined in Section 288.703(3), Fla. Stat., to wit:

(3) “Minority business enterprise” means any small business concern as defined in subsection (6) which is organized to engage in commercial transactions, which is domiciled in Florida, and which is at least 51-percent-owned by minority persons who are members of an insular group that is of a particular racial, ethnic, or gender makeup or national origin, which has been subjected historically to disparate treatment due to identification in and with that group resulting in an underrepresentation of commercial enterprises under the group’s control, and whose management and daily operations are controlled by such persons. A minority business enterprise may primarily involve the practice of a profession. Ownership by a minority person does not include ownership which is the result of a transfer from a nonminority person to a minority person within a related immediate family group if the combined total net asset value of all members of such family group exceeds \$1 million. For purposes of this subsection, the term “related immediate family group” means one or more children under 16 years of age and a parent of such children or the spouse of such parent residing in the same house or living unit.

(6) “Small business” means an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As applicable

to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.”

Authorized Signature

Print Name and Title:_____

H. CERTIFICATION (Threshold Item):

FAILURE TO INCLUDE THE CERTIFICATION STATEMENT LOCATED IN SECTION FIVE OF THIS RFP BEARING AN ORIGINAL SIGNATURE SHALL RESULT IN REJECTION OF THE RESPONSE.

**SECTION SEVEN
EVALUATION PROCESS**

Individual Committee members shall evaluate and rank the Responses independently. As indicated in this section, points shall be assigned to certain items presented in Section Six of this RFP. The individual Committee members shall evaluate the Responses by reviewing the answers to each of the items and assigning points up to the maximum points allowed for each item. The Committee shall not use those items without points assigned in computing the numerical score, but shall use them as part of their evaluation and recommendation process, for informational purposes, or as a basis for possible disqualification. The Committee shall also use the various scored items as a part of its evaluation and recommendation process. Based on the criteria for selection, committee members shall rank each Response with the highest rank being “1”. The Committee may conduct one or more public meetings during which members may discuss their evaluations, make any adjustments deemed necessary to their evaluations to best serve the interests of Florida Housing’s mission, interview Offerors, observe presentations by Offerors, and develop a recommendation or series of recommendations to the Board. The Committee and/or Staff may make a recommendation, in addition to providing the ranking information and the information from the non-scored items to the Board for the Board to use in making the final selection. The Committee and/or Staff may also give the Board a written and/or verbal narrative describing the reasons for any recommendation. In the event of a tie, Florida Housing shall give preference to the Response certifying a drug-free workplace has been implemented in accordance with Section 287.087, Fla. Stat. If a tie continues to exist, Florida Housing shall give preference to minority business enterprises as defined in Section 288.703, Fla. Stat. Staff may recommend that the Audit Committee of the Board, and/or the full Board, conduct oral interviews as part of the evaluation process to select the Offeror. The Board may use the Responses, the Committee’s ranking, the non-scored items in the Responses, any other applicable or relevant information or recommendation provided by the Review Committee or Staff, any oral presentations of Offerors, any recommendation of the Audit Committee, if any, and any other information the Board deems

relevant in its selection of an Offeror to whom to award a Contract.

The points available for the Section Six items to be evaluated are as follows:

<u>Item Reference</u>	<u>Maximum Points</u>
B. FIRM EXPERIENCE AND CAPABILITY	100
C. EXPERIENCE/QUALIFICATIONS OF PERSONNEL	100
D. APPROACH TO SERVICES	100
E. COST PROPOSAL.....	60
Total Points Available.....	360

**SECTION EIGHT
AWARD PROCESS**

Florida Housing shall provide notice of its decision, or intended decision, for this RFP on Florida Housing’s Website the next business day after the applicable Board vote. After posting, an unsuccessful applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat., et al. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., et al. or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.