

REQUEST FOR PROPOSAL FOR AUDIT SERVICES

The Salish & Kootenai Housing Authority (SKHA) is soliciting proposals from qualified CPA firms and individuals with substantial auditing experience for the provision of audit services. Interested parties must submit written proposals to the Salish & Kootenai Housing Authority, located in Pablo, Montana, so that they are received, in person or by mail, on or before 4:30 p.m. Mountain Standard Time, Friday, December 9, 2016. The proposals are to be delivered in a sealed envelope and marked Audit Proposal.

Please note mail delivery first passes through the CS&KT Tribal mail room and is then delivered to the SKHA. Mailed bids, therefore, may not be received by the SKHA office before the closing time and date. Mailed proposals received by the SKHA after the closing date and time specified will be considered unresponsive and will not be considered for selection. It is the firm's or individual's responsibility to ensure the proposal has been received by SKHA before the closing time and date.

BACKGROUND

The SKHA is the Tribally Designated Housing Entity (TDHE) for the Confederated Salish & Kootenai Tribes (CS&KT) of the Flathead Indian Reservation. SKHA currently has 422 low rent units, six (6) homes in the Mutual Help Home Ownership program developed under the 1937 Housing Act, and properties held for resale. Primary sources of income for these units are rental income and homeownership administrative fees. The SKHA also offers a homeownership assistance program.

The SKHA maintains the community water and sewer systems, primarily supported by user fees. In 2015 the SKHA received approximately \$351,000 in water and sewer user fees.

The SKHA currently has three (3) Limited Partnership investments. At the end of 2016 one Limited Partnership will reach the end of its low income housing tax compliance period of 15 years. SKHA intends to exercise its Right of First Refusal for purchase of the Partnership's property and continue operating the ten (10) low-rent units. Audits for the Limited Partnerships are under separate contract.

Federal financial assistance is received from the U.S. Department of Housing and Urban Development for the Indian Housing Block Grant and the Indian Community Development Block Grant. In 2015 the SKHA received approximately \$5,100,000 in Federal awards.

The SKHA receives financial assistance from the State of Montana for weatherization projects for eligible low-income residents. The SKHA also contracts with the CS&KT for the Housing Improvement Program, Indian Health Service and U.S. Environmental Protection Agency. The SKHA maintains a contractor relationship with the CS&KT for these services. In 2015 the SKHA received approximately \$806,000 through contracts and other awards with the CS&KT.

SCOPE OF SERVICES

- ❖ The audit services to be provided will be for three (3) consecutive twelve (12) month audits, with a separate report for each year. The contract will begin with fiscal year ending December 31, 2016. The SKHA performs all in-house accounting functions; therefore all records to be audited will be located at the SKHA office building located at 56243 Hwy 93, Ronan, Montana 59864. We anticipate our books will be closed and ready for audit on or before the 15th day of July of each year. We expect an exit conference at the end of the audit fieldwork to discuss any findings, questionable costs, reportable conditions and adjusting journal entries. The audit must be completed and submitted on or before September 30th of each year following the fiscal year end. The

audit shall be made in accordance with U.S. generally accepted auditing standards and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The audit and financial statements shall meet and be in compliance with the requirements prescribed in 2 CFR Part 200 OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

- ❖ The Report package must include: the Independent Auditor's Report, Financial Statements, Schedule of Expenditures of Federal Awards, all applicable footnotes and other required supplementary schedules, Footnotes on Summary of Significant Accounting Policies, Auditor's Opinion on Financial Statements and required supplementary schedules, Report on Compliance and Internal Control related to the financial statements and major programs, and Schedule of Findings and Questioned Costs.
- ❖ The auditor shall prepare and electronically file the Data Collection Form on or before the required deadline after each fiscal year audited.

CONTENTS OF THE PROPOSALS

CPA firms or individuals responding to this Request for Proposal must have previous audit experience with TDHEs, and must be very knowledgeable of the Native American Housing Assistance and Self Determination Act (NAHASDA) and the organizational structures of TDHEs.

The audit proposal shall include a detailed itemized cost statement showing various classes of staff hours at their appropriate rate. The cost proposal shall also include an itemized listing of all other expenses or fees that are anticipated. Also include a maximum cap that will be charged for each individual audit.

To adequately select the firm or individual who will best serve the needs of the SKHA, it will be necessary to review the experience of the respondent(s) as it closely relates to those needs, and to review the expertise and qualifications of the individual(s) who will be providing the services.

To meet these objectives, the proposal must contain:

- ❖ A verification of the State of Montana licensing.
- ❖ An overview of the firm or individual's operating plan, specifically the number of employees and resumes of all individuals that would be performing the services, with special attention to the experience related to Indian Housing Authorities or similar entities.
- ❖ Proof of CPE in government auditing is required.
- ❖ The proposal must include a display of the firm or individual's general knowledge of or experience with the CS&KT and the SKHA's environment.
- ❖ The price proposal must be on an annual basis. The firm or individual that is awarded the contract will be paid upon receipt of timely progress statements.

SELECTION PROCESS

According to the Federal regulations and SKHA policies, Indian Preference in the selection for firms shall apply. This is an Indian Preference RFP. Tribal firms who wish to receive Indian Preference must obtain certification by the CS&KT Indian Preference Office as a legitimate Indian-owned business prior to the submission of proposals. Proof of Indian Preference

Certification must be included with your bid in the form of a copy of the Certificate issued by the Indian Preference Office. Be advised that evidence of your membership or affiliation with a Tribe does not constitute Indian Preference Certification. You must be certified by the CS&KT Indian Preference Office in order to claim preference. It is the sole responsibility of the bidder to obtain and provide proof of Indian Preference Certification from the CS&KT Indian Preference Office.

The proposals will be evaluated on the basis of the following criteria:

- ❖ Size and structure of the firm, as well as the prior experience of the firm in auditing government entities;
- ❖ Experience of the firm in auditing Indian Tribes and/or tribal organizations, especially TDHEs;
- ❖ Qualifications and experience of staff to be assigned - education, position in the firm, years and types of experience, and supervision of the audit team by the firm's management;
- ❖ Reasonableness of overall time estimates and ability to complete the audit with timeframes set by SKHA;
- ❖ Cost Factor – Cost of the audit as detailed in the Cost Proposal above; and
- ❖ Native American Indian Preference.

The SKHA reserves the right to accept or reject any or all proposals and to waive any informality in the proposals received, consistent with the regulations, if it is in the best interest of the SKHA. The Executive Director will make the final selection and the successful firm or individual will be notified shortly thereafter so that the audit process can begin as soon as possible.

If you or your firm has any questions pertaining to the audit or proposal requirements, please contact Ms. Carolyn Weivoda, Finance Manager at (406) 675-4491, ext. 1512.

Please send two (2) copies of the proposal. Faxed copies of the proposal will not be accepted.

Delivery by USPS

Salish & Kootenai Housing Authority
P.O. Box 38
Pablo, MT 59855

Hand Delivery or Delivery Service

Salish & Kootenai Housing Authority
56243 Hwy 93
Ronan, MT 59864