

**Request for Proposals  
for  
Audit Services  
for  
Mississippi Home Corporation (MHC)**

**I. Introduction**

Mississippi Home Corporation (MHC) was created in 1989 as a public benefit corporation. MHC is the legal successor-in-interest to the Mississippi Housing Finance Corporation (“MHFC”). MHFC was created in 1980 as a body public and corporate of the State, pursuant to the Mississippi Housing Finance Corporation Act, § 43-33-507, Mississippi Code of 1972, for the purpose of raising funds from private investors to make such private funds available to finance the acquisition, construction and improvement of residential housing for persons of low and moderate income within the State. While granting the Corporation a broader set of powers than those possessed by MHFC, the Mississippi Home Corporation Act, §§ 43-33-701 et seq., Mississippi Code of 1972, as amended (the “Act”), vested all property, rights, and powers of MHFC in the Corporation, subject to all pledges, covenants, agreements and trusts made or created by MHFC. MHC has a full-time staff which administers numerous programs, which include, among others:

- A. Mortgage Revenue Bond Program
- B. Smart Solutions Program
- C. Mortgage Credit Certificates (“MCC”)
- D. Housing Assistance for Teachers (“HAT”)
- E. Down Payment Assistance Loans (“DPA”)
- F. Habitat Loan Purchase Program
- G. Low Income Housing Tax Credits (“LIHTC”)
- H. Mississippi Affordable Housing Development Fund (“MAHDF”)
- I. House Bill 530 Program
- J. Creating Housing Options in Communities for Everyone (“CHOICE”)
- K. Housing Counseling Program
- L. Hardest Hit Fund (“HHF”)
- M. Housing Trust Fund (“HTF”)
- N. HOME Investment Partnership Program
- O. Emergency Solutions Grant (“ESG”)
- P. Housing Opportunities for Persons with AIDS (“HOPWA”)

**II. Purpose**

The purpose of this Request for Proposal (“RFP”) is to solicit proposals from qualified Certified Public Accounting Firms to furnish audit services to MHC as identified in Services to be Performed of this request. A three fiscal year contract beginning June 30, 2018 will be offered, that can be canceled with or without cause by either party upon ninety (90) day notice.

### **III. Contact Person**

Anyone submitting a proposal (an "Offeror") may direct questions regarding this RFP to Debbie Purvis at 601.718.4642.

### **IV. Proposal Submission**

An electronic submission of a proposal must be received by the Contact person at debbie.purvis@mshc.com no later than 4:00 p.m. (CDT), Friday, February 16, 2018. LATE PROPOSALS WILL NOT BE ACCEPTED.

### **V. Proposal Tenure**

All proposals shall include a statement that the proposal shall be valid until the contract award date.

### **VI. Incurred Expenses**

MHC shall not be responsible for any expenses incurred by an Offeror in responding to this RFP.

### **VII. Cancellation of Request for Proposals or Rejection of Proposals**

MHC reserves the right to cancel this RFP, reject any or all proposals in whole or in part, or to issue another RFP.

### **VIII. Evaluation of Proposals and Award Notice**

Offerors must demonstrate that they have the capacity and capability to provide the services as described herein. All Offerors must meet the qualifications and submit the documentation indicated below with their proposal. Failure to provide any of the required documentation may be cause for the proposal to receive lower scores.

Proposals will be evaluated by a Committee of MHC Staff, with final selection to be made by the Board of Directors. All firms responding must, at a minimum, submit proof of standing as a member of the American Institute of Certified Public Accountants, proof of liability insurance, and a copy of the latest Quality Control Review Report. The firm and all accountants performing services for MHC must be licensed as certified public accountants in Mississippi, or supervised by certified public accountants licensed in Mississippi. The Committee will evaluate the proposals based on the criteria listed below:

- A. Experiences in assessment of appropriate accounting treatment and financial statement display of complex arrangements governed by pronouncements issued by the Governmental Accounting Standards Board (GASB);
- B. Experiences with performance of compliance audits required by The Uniform

Guidance;

- C. Experiences in auditing state housing finance agencies;
- D. Experiences in auditing entities with publicly owned and offered securities; including laws and regulations governing the use of tax-exempt and taxable housing bonds, mortgage backed securities and Federal low-income housing tax credits;
- E. Experiences in auditing financial institutions or entities similar to MHC's business platform, particularly with single-family and multi-family mortgage lending and services;
- F. Experiences in auditing quasi-governmental entities such as MHC;
- G. Available staff, staff credentials (including fulfillment of educational requirements for governmental auditing), areas of expertise and ability to provide quick response to MHC's requests;
- H. Depth of experience in consulting areas;
- I. References.

Size of firm, specifically its engagement office, shall be appropriate to assure the audit can be completed in a manner that will guarantee audited financial statements are created consistent with the requirements of the State of Mississippi. MHC is currently required to submit audited financial statements to the Board of Directors and the Governor within 120 days of the end of the fiscal year.

Audit engagement staff shall have the education and experience to perform the audit with minimum interruption to daily operations.

MHC shall provide written notice of the award to all Offerors within ten (10) calendar days of the date of the award.

#### **IX. Proposal Confidentiality**

With regard to any proposal, MHC will follow its Public Records Policy in accordance with the Mississippi Public Records Act. The Offeror should mark any and all pages of the proposal considered to be proprietary information which may remain confidential in accordance with Mississippi Code Annotated § 25-61-9 and § 79-23-1 (1972, as amended). **Each page of the proposal that the Offeror considers confidential shall be on a different color paper than non-confidential pages and shall be marked in the upper right hand corner with the word "confidential."** Please see *Mississippi Public Records Act/Confidentiality of Proposals*.

## **X. Services to be Performed**

The Board of Directors of MHC seeks proposals from qualified firms for audit services of MHC. The audit services contract period will cover the fiscal years which end on June 30, 2018, 2019, and 2020 with an option to extend the contract to the additional years 2021 and 2022, to be made at the sole discretion of MHC. Services required to be provided under and to be incorporated into the contract to be awarded pursuant to this RFP include, but are not limited, to the following:

- A. Audits of the combined statements of net position of MHC and the related combined statements of revenues, expenses, and changes in net position and cash flows for the years then ending, such audits to be conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States;
- B. Delivery of the audit report within one hundred (100) days after the close of the fiscal year;
- C. Audit of federal grant compliance in accordance with The Uniform Guidance and the related schedule of expenditures of federal awards.
- D. Audit of effectiveness of internal controls over compliance of a major federal program as required.
- E. Because MHC's bonds are publicly offered and held, the auditor is often asked to consent to the inclusion of the auditor's report in MHC's official statements and on certain occasions to issue letters to underwriters in connection with the offering of MHC's bonds on a fee basis;
- F. From time to time, MHC may ask for consulting services to be performed on a fee basis. Consulting services may be requested in various areas including, but not limited to, systems analysis, management, and mortgage revenue bond tax issues;
- G. Presentation of quarterly reports to the Board and/or Finance Committee regarding recent accounting, audit and tax updates that may affect the housing finance industry.

## **XI. Proposal Format and Instructions to Offeror**

Proposals should be as thorough and detailed as possible so that MHC may properly evaluate your capabilities to provide the required services. Failure to submit the following documents may cause your proposal to score low.

Proposals submitted to MHC must, at a minimum, contain the following information and shall be organized as follows:

- A. Letter of Transmittal

1. Name, address, and telephone number of Offeror;
2. A signature of the Offeror or any partner, officer or employee who certifies that he or she has the authority to bind the Offeror;
3. Date of the proposal;
4. A statement that the Offeror, if awarded the contract, will comply with the terms and conditions set forth in this RFP;
5. A statement that the Offeror's proposal is valid until the contract award date.

B. An Overview of the Firm

1. An outline of professional experience addressing in order each of the six (6) evaluation criteria set forth under **Evaluation of Proposals (A-F)**;
2. Names and resumes of the Partner, Concurring Partner, Manager and any other key personnel to be assigned to the account. The resume should describe the qualifications of personnel to be utilized in the performance of this contract and must show, at a minimum, the person's name, education, positions, and total years and types of experience relevant to the performance of the contract;
3. The amount of liability insurance carried by the Firm.

C. References

Please provide at least three references from state housing finance agencies, state agencies, or other governmental entities or financial institutions.

D. Costs

List the costs of services, including a discussion of billing arrangements, for supplemental services described under **Services to be Performed** above.

E. Employment Practices

MHC requires that an Offeror be an Equal Opportunity Employer:

1. State that the Offeror complies fully with all government regulations regarding nondiscriminatory employment practices;
2. Provide a copy of any written EEO, ADA, or affirmative action policies

presently followed by the Offeror.

F. Litigation

Please describe any material, current or pending litigation, administrative proceedings or investigations that could impact the reputation or financial viability of your firm.

**XII. No Contact.**

Beginning when a submission of a proposal is made, no Offeror or any representative of an Offeror shall contact: MHC Staff, MHC Board Members, any local, state or federal elected or appointed official, any agent of MHC (including MHC General Counsel or its financial advisor) regarding an active proposal. The No Contact Period will end upon either a cancellation of this RFP, a Rejection of all proposals or an award, whichever comes first. A violation of the No Contact period shall result in the disqualification of the Offeror's submission.

**XIII. Supplemental Information**

You may retrieve a copy of MHC's audited financial statements and uniform guidance report as of June 30, 2017 from the MHC web site at [www.mshomecorp.com](http://www.mshomecorp.com). We direct your attention to the auditors reports included therein.

None of the proposed services of the Offeror may be contracted to a third party without prior approval by MHC. If the Offeror intends to contract with a third party, it must be included in the RFP.