

**REQUEST FOR PROPOSAL  
FINANCIAL AUDIT**

The Fulton County/City of Atlanta Land Bank Authority (LBA) is inviting proposals from a public accounting firm to perform a financial audit of the LBA.

The audit shall be conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. The audit and financial statements shall meet the requirements of federal single audit regulations as prescribed by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. In addition, the statements must conform to the requirements of Governmental Accounting Standards Board Statement No. 34: Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments. The financial statements are to be prepared by the auditor in accordance with Generally Accepted Accounting Principles (GAAP).

Interested firms should submit **four copies** of their Proposal, which addresses the Proposal Requirements described in the Scope of Work section. Fax and e-mail proposals are not acceptable.

**PROPOSALS WILL BE ACCEPTED UNTIL 4:30 PM (EDT), May 4, 2009**

**They should be addressed to:**

**Mr. Christopher Norman – Board Chairman  
Fulton County/City of Atlanta Land Bank Authority, Inc.  
c/o Griffin & Strong, P.C.  
235 Peachtree Street Suite 400  
Atlanta, Georgia 30303**

If you have any questions concerning this request, please contact Rodney Strong (404) 584-9777.

Sincerely,

Christopher Norman  
Board Chairman  
Fulton County/City of Atlanta Land Bank Authority

## **GENERAL INFORMATION**

Pursuant to O.C.G. A. §48-4-60 the Fulton County/City of Atlanta Land Bank Authority was established through an Interlocal Cooperation Agreement dated January 19, 1994. The Interlocal Agreement between Fulton County, Georgia and the City of Atlanta, Georgia bound both parties to the following purpose:

- A. The parties shall participate jointly in the incorporation of a non-profit corporation named the Fulton County/City of Atlanta Land Bank Authority, Inc. (hereinafter referred to as “the Authority”) the establishment of which will be to foster the public purpose of returning property which is in a nonrevenue generating, nontax producing status to an effective utilization status in order to provide housing, new industry, and jobs for the citizens of the county.
- B. In carrying out this purpose the Authority shall, in accordance with applicable laws and codes, acquire title to certain tax delinquent properties which it will in turn inventory, classify, manage, maintain, protect, rent, lease, repair, insure, alter, sell, trade, exchange or otherwise dispose of under such terms and conditions as determined in the sole discretion of the Authority.
- C. In further carrying out this purpose the Authority may, in its discretion, and in conjunction with the Parties’ respective School Districts, extinguish past due tax liens from property foreclosed upon by the Parties in their tax collection capacities, in accordance with the guidelines contained herein.

The LBA over the past 14 years has served the City of Atlanta and Fulton County in this capacity and has stood as a model for other Land Bank Authorities around the country.

Funding for the LBA’s operational needs have been secured from both the City of Atlanta and Fulton County through annual funding request. The Authority generates revenue from the redemption of properties in its inventory of properties that have been conveyed from the City and County.

## **SCOPE OF WORK**

- I. The financial audit should include the following, performed in accordance with OMB Circular A-133:
- Statement of Net Assets
  - Statement of Revenues, Expenses and Changes Net Assets
  - Statement of Cash Flows
  - Notes to Financial Statements
  - Combining Schedule of Program Net Assets by fund/program
  - Combining Schedule of Program Revenues, Expenses and Changes in Net Assets
  - Report on Internal Controls in accordance with OMB Circular, A-133.
  - Reconcile all bank accounts.
  - In addition, the statement must include the following information as required by the Governmental Accounting Standards Board Statement No. 34: Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments (GASB-34):
    1. GASB-34 Revenue Recognition (Program Revenue categorized as: (a) Charges for Services, (b) Operation Grants and Contributions and (c) Capital Grants and Contributions).
    2. Asset Depreciation (by Asset Category - both accumulated depreciations as of 12/31/05 and 12/31/06 and depreciations taken in 2006 and 2007, respectively).
    3. Any other GASB-34 information that will assist the City and County in completing its audit report.
    4. A financial statement and operational review of compliance audit of the LBA for fiscal year ending and December 31, 2008, performed in accordance with paragraph 2 of the RFP cover letter.

If the need for other audit services arises concerning the fiscal years under audit, the LBA expects to be able to negotiate with the selected auditor to obtain the additional services needed. Additionally, LBA reserves the right to use this solicitation as the basis to negotiate for audit services that may be required by the organization in the future.

## **REPORTS**

- A. One unbound and 5 (five) bound copies of each audit opinion and financial statements shall be submitted.
- B. Preparation of the Data Collection Form for submission to the Federal Audit Clearinghouse.
- C. The auditor will be expected to provide a letter to the Board of Directors of LBA on the non-reportable conditions and immaterial instances of noncompliance.
- D. The auditor will be expected to attend a meeting with the Board of Directors and the Director of LBA to present the audit report and review the management letter.

## **EVALUATION OF AUDIT PROPOSALS**

- 1. Evaluation Committee – Proposals received will be evaluated by the LBA Board of Directors.
- 2. Review of Proposals – The LBA Board of Directors will use a three-step method to render a decision on the selection of an auditor.

**Step 1.** Proposals must meet certain mandatory criteria in order to qualify for further evaluation. Any “no” answer to the first two questions will disqualify the proposal. A “yes” answer to the third question will require a written explanation, and may disqualify the proposal.

- 1. Is the firm properly licensed  yes  no
- 2. Is the firm independent  yes  no
- 3. Has disciplinary action been taken or is pending against the firm  yes  no

**Step 2.** Proposals will be scored using the following technical criteria. Points for each question will range from 0-15. The maximum technical score is 120 points. Proposals should address each question.

- Does the firm have a quality control program to help ensure adherence to high professional standards? (0-10)
- Does the firm subject itself to “Peer Review” in order to provide an independent review of its quality control policies and procedures? (0-5)

- ❑ Did the “Peer Review” cover the governmental auditing section and was the “Peer Review” opinion attached? (0-5)
- ❑ Does the proposal fully respond to the needs of LBA with regard to this audit? (0-5)
- ❑ What is the timeframe that the firm will be able to complete the services requested? (0-10)
- ❑ Is the quality of the firm’s professional personnel to be assigned to the engagement and quality of the firm’s management support personnel available for technical consultation adequate? (0-15)
- ❑ Has the firm audited other local governments, or has there been experience working with the City of Atlanta and Fulton County? If so, please list the references for local government audit experience and indicate if we may contact them. What was the PIH/REAC rejection rate of these audits? (0-10)
- ❑ Has the firm audited any non-profit organizations? If so, please list the references for non-profit audit experience and indicate if we may contact them. What was the PIH/REAC rejection rate of these audits? (0-5)
- ❑ Will the field personnel to be assigned to the engagement have previous non-profit or local government experience? How experienced and credentialed are the staffs that will be involved in the audit? Are the “in-charge” staff CPAs? (0-15)
- ❑ Does the proposal adequately describe in a clear, concise, and understandable manner the work to be performed including sampling techniques and analytical procedures to be used? (0-15)
- ❑ Does the proposal demonstrate the firm’s familiarity with generally accepted accounting principles (GAAP) as they apply to non-profits or local governments? (0-10)
- ❑ What has been the total amount of time spent on fieldwork on each non-profit or local government audit you have done? (0-5)
- ❑ Has the firm’s prior experiences with non-profits or local governments, if any, been acceptable? (0-10)

**Step 3. The maximum number of points relating to cost is 20. The score based on the cost of the proposal will be calculated by using the following formula:**

$$\frac{\text{Lowest Cost of All Bids X 20 points}}{\text{Cost Proposed by this firm}}$$

The technical and cost scores will be combined for a maximum score of 140 points.

### **PROPOSAL FORMAT AND REQUIREMENTS**

In order to secure information in a form, which will ensure that your proposal will be properly evaluated, you are asked to submit your proposal in the format listed below. Standard proposal formats are acceptable provided the following information is included:

- ❖ Title page should include the proposal subject, the firm's name, address, phone and fax numbers, email address, and contact person, date of the proposal, Federal I.D., number of the firm and firm's license number with the Georgia State Board of Accountancy.
- ❖ A Table of Contents with page numbers.
- ❖ A transmittal letter briefly stating the understanding of the work to be done, the commitment to perform the work within the period, a statement why the firm believes it to be the best qualified to perform the engagement and that the proposal is an irrevocable offer for a stated period of time (minimum 90 days).
- ❖ Information about the firm. Is the firm local, national or regional? Identify the personnel from the office who will serve LBA. Does the firm meet all CPA licensing and continued education requirements? Is the firm independent with respect to LBA? Provide the results of the firm's last peer review. A copy of the opinion and State Society's acceptance of the review should be included for the engagement partner, manager and senior.
- ❖ Provide prior experience in auditing non-profit organizations and local governments from the local office audit team. Provide references of at least three local government or non-profit clients (with phone numbers and contact persons). The clients listed should be those served by members of the proposed audit team and/or local office who will be serving LBA.
- ❖ Provide information as to the approach, timing and work program of the engagement team.
- ❖ Briefly discuss your audit approach as to consideration of laws and regulations.

- ❖ A proposed work plan and time schedule addressing the scope of work.
- ❖ A section detailing the cost for the work including cost estimates for out-of-pocket expenses and a proposed payment schedule based on the work plan.
- ❖ A section identifying the staff that would be assigned to the project including their background and experience.
- ❖ Please indicate the total estimated hours required by classification by the partner, manager, senior and staff.
- ❖ Provide maximum fees (including all out of pocket expense) for each of the first three years, broken down in adequate detail so as to evaluate fee response.
- ❖ Outline the level of support your firm will require of the LBA staff or the Board of Directors.

### **WITHDRAWAL OF RFP**

Proposals may be withdrawn before the RFP submittal deadline by submitting a written request to the Contact Person. Re-submittal before the RFP submittal deadline can be made; however, they may not be re-submitted after the deadline.

### **RFP COSTS**

All costs incurred in the preparation and presentation of the RFP shall be completely absorbed by the responding party to the RFP. All documents submitted as part of the RFP will become property of the LBA. Requests for specific material to be returned will be considered. Any material submitted that is confidential must be clearly marked as such.

### **COMPLIANCE WITH LAWS**

The selected firm agrees to be bound by applicable Federal, State and Local laws, regulations and directives as they pertain to the performance of the audit contract.

### **AWARD BASIS**

At the option of the Board of Directors of the LBA, finalists may be selected for a final round of negotiations; however, vendors are encouraged to present their best offers with their initial submission.

LBA reserves the right to accept or reject any and all proposals, to waive any irregularities in any proposal process, and to make an award of contract in any manner in which LBA, acting in the sole and exclusive exercise of its discretion, deems to be in LBA's best interest. The award of the contract will not necessarily be made to the firm offering the lowest price.

### **CONTRACTUAL DEVELOPMENT**

If a proposal is accepted, the successful respondent will enter into a contract with Fulton County/City of Atlanta Land Bank Authority, Inc. in their role as management entity for the LBA Board of Directors. Contract discussion and negotiation will follow the award selection. Bidders must be amenable to inclusion, in a contract, of any information provided whether herein or in response to this RFP, or developed subsequently during the selection process.

### **OTHER TERMS AND CONDITIONS**

#### **1. WORK PRODUCT**

- a. All work papers prepared in connection with the contracted services will remain the property of the successful bidder. The work papers must be retained for a period of five years and be made available to Fulton County/City of Atlanta Land Bank Authority, Inc. or the City of Atlanta and Fulton County upon request. All reports rendered to LBA are their exclusive property and subject to their use and control.

#### **2. INDEPENDENT CONTRACTOR**

The successful bidder and its agents, officers and employees shall act at all times in an independent capacity during the term of the agreement and in the performance of the services to be rendered, and shall not act as, and shall not be, and shall not in any manner be considered to be agents, officers or employees of LBA, the City of Atlanta or Fulton County.

#### **3. ASSIGNMENT**

Neither the agreement, nor any part thereof, shall be assigned by the successful bidder without the prior written consent of the Fulton County/City of Atlanta Land Bank Authority, Inc. and the LBA Board of Directors.

### **CONTRACT TERMS**

**You are invited to submit a proposal for audit for a one time service contract. The audit is for the fiscal year ending December 31, 2008. Fulton County/City of Atlanta Land Bank Authority, Inc. may terminate the audit contract upon written notice to the Contractor not less than sixty (60) days before the close of the fiscal year to be audited.**

Fulton County/City of Atlanta Land Bank Authority, Inc. reserves the right to cancel the agreement if it is determined that the selected firm is not performing satisfactorily or is adversely affecting performance of LBA's activities. LBA will provide thirty (30) days written notice of termination.

The LBA also reserves the right to request changes in the selected firm's representation if, at our discretion, assigned personnel are not satisfying the needs of LBA.

### **PAYMENT TERMS**

The LBA will pay the compensation for services, as included in the accepted proposal, in a lump-sum amount. The lump-sum fee shall be payable after submission of the Audit Report and after acceptance and approval by the LBA Board of Directors.

### **INFRINGEMENT AND INDEMNIFICATION**

The firm awarded this contract agrees to protect, defend and hold harmless the LBA against any demand for payment for use of any patented materials, process, article, or device that it may enter into the rendering of the necessary services. Furthermore, the selected firm agrees to indemnify and hold harmless the LBA, their employees and the LBA Board of Directors from suits or actions of every nature and description arising out of, or in connection with, the performance of this contract, or on account of any injuries or damages received or sustained by a party or parties by or from any act of the selected firm, or its agents.

### **EQUAL OPPORTUNITY**

The LBA emphasizes that all respondents will receive full consideration without regard to race, color, religion, sex, national origin, sex, disability, age or sexual orientation. Minority and women-owned firms are especially encouraged to respond to this RFP.

### **LIMITATIONS**

The LBA, reserves the right to reject any and all Proposals and to waive any informality in the solicitation process. Total proposal length excluding cover letter should not exceed 15 pages.

## **BIDDER'S QUESTIONS**

Any technical questions concerning the request for proposal should be submitted in writing to:

Rodney K. Strong, Esq.  
Griffin & Strong, P.C.  
235 Peachtree Street, Suite 400  
Atlanta, GA 30303  
**Email: Rodney@gspclaw.com**  
**Tel. (404) 584-9777**  
**Fax (404) 584-9730**

Such questions must be received by the date and time stipulated in the calendar of events. If necessary, written responses to these questions will be provided to all firms holding Request for Proposals by the date and time stipulated in the calendar of events.

## **CALENDAR OF EVENTS**

Listed below are the important actions and dates/times by which the actions must be taken or completed. If LBA finds it necessary to change any of these dates, it will be done by addendum.

<b>April 15, 2009</b>	Issue Date
<b>April 23, 2009, 12:00 p.m.</b>	Pre-Proposal conference (non-mandatory) <b>Fulton County Government Center</b> <b>Department of Purchasing &amp; Contract</b> <b>Compliance-Bid Room</b> <b>130 Peachtree Street, Suite 1168</b> <b>Atlanta, Georgia 30303</b> Deadline for questions regarding RFP
<b>April 27, 2009, 4:30 p.m.</b>	LBA responses to questions
<b>May 4, 2009, 4:30 p.m.</b>	Proposal submission deadline
<b>May 8, 2009</b>	Notification of Award