

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
SEPTEMBER 14, 2017**

RESOLUTION NO. 2017-16

WHEREAS, The Housing Authority of New Orleans (HANO), through its Finance Department, is required to obtain an independent annual audit to submit to the State of Louisiana to comply with the financial reporting standards as required by the State of Louisiana; and

WHEREAS, HANO's prior contract for annual audit services has expired and a new procurement was necessary to secure audit services for the current and upcoming fiscal years; and

WHEREAS, There are funds allocated in HANO's Operating Budget and Crescent Affordable Housing Corporation's budget (CAHC), HANO's non-profit entity, for the provision of annual audit services; and

WHEREAS, HANO issued Request for Proposals (RFP) #17-905-19 to procure annual audit services on June 16, 2017, and received proposals from six (6) respondents on July 11, 2017; and

WHEREAS, HANO conducted evaluations of each proposal submitted and established Berman Hopkins Wright & LaHam, CPAs as the highest ranked respondent; and

WHEREAS, Berman Hopkins Wright & LaHam, CPAs has committed to hire one Section 3 applicant and to comply with HANO's Section-3 training requirement and has subcontracted with Heidelberg Accounting Services, Inc., a DBE/WBE subcontractor in New Orleans to work on this audit engagement with twenty-eight percent (28%) participation; and

WHEREAS, HANO has successfully completed its due diligence on Berman Hopkins Wright & LaHam, CPAs and determined they are responsible; and

WHEREAS, It is recommended that in order to provide the agency with the audit services as outlined in the RFP scope of services, that approval be given to award a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$215,000.00 per year for the two fiscal years ending September 30, 2017 and 2018. The two (2) one-year option periods for the fiscal years ending September 30, 2019 and 2020 are also fixed at hourly rates set forth in their proposal in an amount not to exceed \$215,000.00 per year, if and when exercised. These costs proposals are at a substantial costs savings of over forty percent (40%) compared to the current audit costs to HANO.

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THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the award of a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$215,000.00 per year for the fiscal years ending September 30, 2017 and 2018 to provide the HANO annual audit services and two (2) one-year option periods for the fiscal years ending September 30, 2019 and 2020 in an amount not to exceed \$215,000.00 per year, if and when exercised.

Executed this 14th day of September, 2017

APPROVAL:



ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS



September 14, 2017

MEMORANDUM

**To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson**

**Through Gregg Fortner
Executive Director**

**From: Olukayode Adetayo
Chief Financial Officer**

**Re: Authorization to Contract for the Annual Audit Services for Fiscal Years 2017
and 2018**

The Housing Authority of New Orleans (HANO) issued a Request for Proposals (RFP) on Friday, June 16, 2017 for the purpose of seeking qualified and experienced auditors/firms who have a demonstrated track record in providing tax credit accounting services and successfully conducting annual audit services for public housing authorities, pursuant to RFP #17-905-19.

The proposal package was prepared and distributed to twenty-two (22) auditing firms by the Procurement and Contracts Department. The RFP was advertised for a total of twenty-five (25) days. The advertisement was published in the Times-Picayune on Friday, June 16, 2017 and Wednesday, June 21, 2017 and posted on NOLA.com. The RFP was also posted on the HANO website for download by the public. On Tuesday, July 11, 2017, six (6) proposals were received in response to the solicitation from the following auditing firms:

- Berman Hopkins Wright & LaHam, CPAs
- CohnReznick
- Malcolm Johnson & Company, P.A.
- Novogradac & Company
- Postlethwaite & Netterville, APAC
- Rubino & Company, Chartered

In accordance with the evaluation process outlined in the RFP, an evaluation committee was established to review the proposals received in response to the solicitation. On Thursday, July 20, 2017 the evaluation committee met, and was given an overview of the scope of services. Also, the committee was instructed on the proper procedure for proposal evaluation. In determining the scores, the committee discussed the proposals in detail, and determined a consensus score for each of the evaluation criteria established in the RFP. Based on the committee's review, two firms were included in the competitive range (shortlisted), and were

requested to respond to a list of questions for clarification to their proposal. The shortlisted firms were Berman Hopkins Wright & LaHam, CPAs, and Rubino & Company, Chartered.

On Wednesday, July 26, 2017, the committee re-convened and began Stage II Evaluations. The committee reviewed the responses submitted by the shortlisted firms, and evaluated the responses in accordance with the same procedures as outlined in Stage I Evaluations to finalize scores of the two highest ranked respondents. The results of the evaluations for each of the respondents were as follows:

Management Entity	Total (100 Points)
Berman Hopkins Wright & LaHam, CPAs	95
Rubino & Company, Chartered	93
CohnReznick	81
Postlethwaite & Netterville, APAC	61
Malcolm Johnson & Company, P.A	48
Novogradac & Company	41

Berman Hopkins Wright & LaHam, CPAs has committed to hire one section-3 applicant and to comply with HANO's Section-3 Training requirement, and has subcontracted with a local firm, Heidelberg Accounting Services, Inc. a DBE/WBE firm in New Orleans to work on this audit engagement with twenty-eight percent (28%) participation.

In that Berman Hopkins Wright & LaHam, CPAs submitted a responsive proposal, which was reviewed, evaluated, scored and ranked highest in response to the solicitation it is recommended that in order to provide the Agency with the audit services as outlined in the scope of services, that approval be given to award a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed Two-hundred and fifteen thousand dollars (\$215,000.00) per year for the two fiscal years ending September 30, 2017 and 2018.

The contract award shall include two (2) additional one (1) year option periods for the fiscal years ending September 30, 2019 and 2020, fixed at hourly rates set forth in their proposal in an amount not to exceed Two-hundred and fifteen thousand dollars (\$215,000.00) per year, if exercised. Each one year option period shall only be exercised if Berman Hopkins Wright & LaHam, CPAs has satisfactorily performed the required services in the preceding years.