



**Homes and
Community Renewal**

Request for Proposals for *Forensic Audit Services*

RFP Issuance Date:

February 27, 2025

Proposal Submission Deadline:

March 21, 2025, 12pm, EDT

Number: HCR-RFP-250221

NEW YORK STATE HOUSING FINANCE AGENCY
641 LEXINGTON AVENUE • NEW YORK, NEW YORK 10022
hcr.ny.gov

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NEW YORK STATE HOUSING FINANCE AGENCY

REQUEST FOR PROPOSALS FOR FORENSIC AUDIT SERVICES

IMPORTANT NOTICE: A Restricted Period under the Lobbying Procurement Law is currently in effect for this procurement process and will remain in effect until approval of the Contract(s). Proposers are prohibited from Contacts related to this procurement process with any employee of the New York State Housing Finance Agency (“HFA” or “Agency”) or its Affiliate(s)¹, other than the Designated Contact Officer listed below.

¹Affiliate(s) shall mean the other agencies comprising New York State Homes and Community Renewal being the State of New York Mortgage Agency, New York State Affordable Housing Corporation, Housing Trust Fund Corporation, State of New York Municipal Bond Bank Agency and Tobacco Settlement Financing Corporation.

Lobbying Law Designated Contact Officer:

Michael Vayser, Assistant Counsel
New York State Homes & Community Renewal
641 Lexington Avenue, 5th Floor
New York, New York 10022
Michael.Vayser@hcr.ny.gov

If you have inquiries regarding this request for proposal or would like to contact the Agency(ies) regarding issues not relating to Lobbying Procurement Law Contacts, please forward inquiries via electronic email to Lisa G. Pagnozzi, Jerome White, Monika Lekarczyk, and/or Vanessa Lepe-Mora at contractunitinfo@hcr.ny.gov.

Further information regarding the Lobbying Procurement Law policies of the Agency(ies) is available in the [Agencies' Standard Clauses and Requirements for Solicitations](#), hyperlinked herein as Exhibit A.

1. Introduction

[New York State Homes and Community Renewal](#) (“HCR”) consists of all the major housing and community renewal agencies of the State of New York (“State”), including the New York State Housing Finance Agency (“HFA” or “Agency”). HCR includes other agencies (“Affiliates”) not involved in this request for proposals (“RFP”) process.

2. Purpose

The New York State Housing Finance Agency is seeking proposals from firms (“Firms” or “Proposers”) to provide forensic audit and accounting services for one or more of its State-supervised Mitchell Lama housing companies (“Project”) as further described in the Scope of Services section of this RFP.

The contract(s) resulting from this RFP process will be for a one-year term, with two one-year optional renewals, subject to approval by the Agency’s Board of Directors (“Board”).

3. Overview of the Agency

The Agency is a public benefit corporation of the State of New York, co-located and co-administered from its New York City (“NYC”) office.

More detailed information relating to the Agency and its programs may be found at the [Agencies' website](#), hyperlinked herein.

3.1 New York State Housing Finance Agency

The [New York State Housing Finance Agency](#) is a public benefit corporation, created in 1960 by Article III of the New York State Private Housing Finance Law (“PVH”), to finance low- and moderate-income rental housing. HFA’s mission is to create and preserve high quality affordable multifamily rental housing that serves communities across the State of New York. To accomplish this mission, HFA issues taxable and tax-exempt bonds to provide mortgage loans to developers of affordable multifamily rental housing.

4. Project Background

The Mitchell-Lama Housing Program (“Program”) was created in 1955 by the Limited Profit Housing Act to provide affordable rental and cooperative housing to middle-income families. A total of 269 State-supervised Mitchell-Lama developments, with over 105,000 apartments, were built under the Program. In exchange for low-interest mortgage loans and real property tax exemptions, the Program requires limitations on profit, income limits for tenants, and supervision by HCR. Developments are owned by private companies or collectively by their shareholders. Development owners often enter into agreements with managing agents to manage the developments. It is the responsibility of the owner to provide safe and habitable housing and to maintain the physical and financial integrity of the development, and it is the function of the managing agent to effectively and efficiently manage the development to ensure that the owner’s responsibilities are carried out. Owners and managing agents must agree to manage the development in accordance with local codes and State rules and regulations.

5. Assessment of Practices relating to Diversity and Service-Disabled Veteran Owned Business Enterprises (“SDVOBs”)

The Agency(ies) has/have determined, pursuant to New York State Executive Law Article 15-a (“Article 15-A”) and New York State Veterans’ Law Article 3 (“Article 3”), that the assessment of participation by minority-and/or women-owned business enterprises (“MWBEs”) (assessment of participation by MWBEs hereinafter referred to as “Diversity”) and SDVOB practices of Proposers responding to this RFP is practical, feasible, and appropriate.

5.1 Minority and/or Women Owned Business Enterprise Participation

The Agency(ies) is/are committed to awarding contracts to firms that are dedicated to diversity and provide high-quality services. The Agency(ies) strongly encourage(s) firms that are certified by the State as MWBEs to submit responses to this RFP. All MWBE firms submitting proposals to this RFP should be registered as such with the State's Empire State Development ("ESD").

The Agency(ies) is/are required to implement the provisions of Article 15-A and 5 NYCRR Parts 142-144 ("MWBE Regulations") for all Agency contracts, as defined therein, with a value in excess of \$25,000. For assistance identifying MWBE partners, review the [list of certified State MWBEs](#), hyperlinked herein.

For purposes of this solicitation, the Agency(ies) hereby establish(es) an overall goal of 30% of total contract expenditures for MWBE participation, 15% for minority-owned business enterprises ("MBEs") and 15% for women-owned business enterprises ("WBEs").

5.2 Service-Disabled Veteran-Owned Business Enterprise Participation

The Agency(ies) is/are committed to awarding contracts to SDVOBs that provide high-quality services. The Agency(ies) strongly encourage(s) firms that are certified as SDVOBs to submit responses to this RFP. All SDVOB firms submitting proposals to this RFP should be certified with the State's Office of General Services ("OGS").

The Agency(ies) is/are required to implement the provisions of Article 3 for all Agency contracts, as defined therein, with a value in excess of \$25,000. For assistance identifying SDVOB partners, review the [list of certified State SDVOBs](#), hyperlinked herein.

For purposes of this solicitation, the Agency(ies) hereby establish(es) a goal of 6% of total contract expenditures for SDVOB participation.

5.3 MWBE and SDVOB Partner/Subcontractor Interest

MWBEs and SDVOBs certified in the State may request that their firm's contact information be included on a list of MWBE and SDVOB firms interested in serving as a subcontractor for this RFP. The listing will be publicly posted on the Agency's/Agencies' website for reference by the bidding community. A firm requesting inclusion on this list should send contact information and a copy of its MWBE certification and/or SDVOB certification to ContractUnitInfo@hcr.ny.gov. Nothing prohibits an MWBE or a SDVOB firm from proposing as a prime contractor (i.e., a "Proposer").

6. Primary Contractor and Subcontractor(s) Team

Proposers may partner with other entities including, but not limited to, MWBEs and SDVOBs, to provide the Agency(ies) with the Scope of Work described in the Scope of Services section of this RFP. The successful Proposer must be the lead vendor (“Primary Contractor”) that will serve as the legal contracting entity with which the Agency(ies) will enter into a contract. If the Proposal Submission includes the provision of services from any other participating vendors, it is understood that those vendors will serve as subcontractors to the Primary Contractor.

For purposes of evaluating Proposal Submissions and developing the intended agreement(s) between the Agency(ies) and the Primary Contractor, all contributions to the project from both the Primary Contractor and its subcontractor(s), including skills, attributes, and products, will be considered as the total proposal put forth by the Primary Contractor. All necessary communications will be directed to the Primary Contractor.

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7. Calendar of Events and Milestones

It is anticipated that contract(s) resulting from this RFP process will be awarded based on the following schedule:

Event	Date
Issuance of Request for Proposals	February 27, 2025
Deadline for RFP Questions	March 10, 2025, 12:00pm, Eastern Standard Time (“EST”)
Deadline for Responses to RFP Questions	March 14, 2025
Intent to Submit Proposal	March 14, 2025, 12:00pm, Eastern Daylight Time (“EDT”)
Deadline for Submission of Proposals	March 21, 2025, 12:00pm, EDT
Interviews/Demonstrations (if necessary)	To Be Determined
Anticipated Selection Date*	June 2025

*Subject to the approval of the Agency’s Board of Directors (“**Board**”).

The Agency(ies) reserve(s) the right to modify this schedule at it/their discretion. Notification of changes in connection with this RFP will be made available to all interested parties via the Agencies’/Agency’s web page at: <https://hcr.ny.gov/procurement-opportunities>.

8. Intent to Submit Proposal

Proposers are strongly encouraged to complete an *Intent to Submit Proposal* form, attached hereto as Form A, and to submit the form via email to ContractUnitInfo@hcr.ny.gov with the subject line “*Intent to Submit Proposal – 2025 Forensic Audit RFP*”.

The submission of the Intent to Submit Proposal form, while encouraged, is not mandatory and, as such, is not binding in any way. Proposers that submit an Intent to Submit Proposal form will be added to HCR’s bidders’ list and will be notified of future related HCR solicitations.

9. Scope of Services (“Scope of Work”)

9.1 Qualifications and Experience

The successful Proposer must have significant experience in conducting forensic audits of owners and managing agents of multifamily rental and homeownership (condominium and/or cooperative) that include the scope of work described in Section 10.2. The selected Auditing firm must provide Certified Public Accountants (CPA) who also possess Certified Financial Forensics (CFF) credentials.

9.2 Scope of Work

The successful Proposer (“Auditor”) shall conduct a forensic audit of a Mitchell-Lama housing company or companies that may include, but is not limited to, an audit of the items indicated below.

9.2.1 Investigation of Fraudulent Activities

Conduct a thorough investigation into suspected fraudulent activities, including misappropriation of funds, kickbacks, bribery, or any other financial irregularities.

9.2.2 Review of Financial Records

Examine financial records, including bank statements, general ledgers, accounts payable/receivable, and other relevant documents, to identify irregularities and discrepancies.

9.2.3 Evaluation of Internal Controls

Assess the effectiveness of internal controls, including segregation of duties, authorization procedures, and approval processes, to identify weaknesses or vulnerabilities.

9.2.4 Assessment of Conflict of Interests

Investigate potential cases of conflict of interest and identify any instances where personal interests have compromised the company's interests or resulted in financial loss.

9.2.5 Examination of Administrative Expenses, that includes:

- a. Examine administrative expense records to ensure proper classification and allocation of expenses;
- b. Review supporting documentation for administrative expenses, such as invoices, receipts, and reimbursement requests;
- c. Assess the adequacy of controls to prevent personal expenses from being commingled with legitimate administrative expenses; and
- d. Identify any instances of unauthorized or excessive expenses.

9.2.6 Evaluation of Inter-Company Transactions, that includes:

- a. Verification that inter-company transactions are accurately recorded and properly classified in the company's financial statements; and
- b. Evaluate the adequacy and reliability of documentation supporting inter-company transactions, such as invoices, contracts, and agreements.

9.2.7 Examination of Capital Expense Budget, that includes:

- a. Review the company's capital expense budget to ensure reasonableness;
- b. Examination of supporting documentation for capital expenses, including invoices, contracts, and project proposals; and
- c. Assessing the effectiveness of controls in monitoring and tracking capital expenditures and verifying the completion of approved projects.

9.2.8 Evaluation of Maintenance and Repairs, that includes:

- a. Assess the adequacy of controls over maintenance requests, work orders, and contractor selection; and
- b. Test a sample of maintenance and repair transactions to verify their proper authorization, documentation, and completion.

9.3 Deliverables

HFA will require the successful Proposer(s) (the “Contractor(s)”) to provide a report to the Agency on activities in an agreed-upon format on a monthly basis. The Agency will review deliverables submitted by the Contractor(s) and provide written comments and/or notices of deficiencies, if any, to the Contractor(s), within 10 business days of receipt. The Contractor shall correct any deficiencies cited by the Agency on Contractor’s next monthly report. The Agency and the Contractor(s) will meet from time to time, on an as-needed basis, to discuss the progress of the activities in 10.2 above and to make recommendations. The engagement should culminate in the

submission of a detailed report outlining findings, including any identified irregularities and recommendations for corrective actions.

10. Questions and Answers

Any questions or requests for clarification regarding this RFP must be submitted by way of email to contractunitinfo@hcr.ny.gov no later than the date identified in the “*Calendar of Events and Milestone*” section of this RFP. The “Subject” line of the email should indicate “2025 Forensic Audit Questions.”

Questions will not be accepted orally and any question received after the deadline may not be answered. The list of questions/requests for clarifications and the official Agency responses will be posted in a timely manner on [HCR’s Procurement Opportunities” webpage](#).

Proposers should note that all clarifications and exceptions are to be resolved prior to submission of the proposal.

An electronic version of this RFP will be posted on HCR’s website in addition to any subsequent changes, additions or deletions to the RFP, including the timelines and target dates. Proposers are encouraged to check HCR’s website frequently for notices of any clarifications, changes, additions or deletions to the RFP.

11. Amendments and Addenda

The Agency(ies) reserve(s) the right to modify any part of this RFP including, but not limited to, the date and time by which proposals must be submitted and received by the Agency(ies), at any time prior to the Deadline for Submission of Proposals date listed in the “*Calendar of Events and Milestones*” section of this RFP. Modifications to this RFP will be made by issuance of amendments and/or addenda. Any amendment or addendum to this RFP will become part of this RFP.

Prior to the Deadline for Submission of proposals’ date, any such clarifications or modifications as deemed necessary will be posted to [HCR’s website](#).

If the Proposer discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the Proposer will immediately notify the Agency(ies) of such error in writing and request clarification or modification of the document.

There are no designated dates for release of addenda; therefore, interested Proposers should check the Agency’s/Agencies’ website frequently through the Deadline for Submission of Proposals’

date. It is the sole responsibility of the Proposer to be knowledgeable of all addenda related to this RFP process.

12. Contract

The contract(s) resulting from this RFP process will be to provide the Agency/Agencies with Forensic Auditor Services for a one-year period with two one-year optional renewals, subject to approval by the Agency's Board. The Agency/Agencies, at its/their discretion, may exercise its/their option to modify any provision in the contract including, but not limited to, the scope of services and compensation, on an as needed basis, with the mutual written consent of the contracting parties. Any contract that exceeds a five-year period will require the affirmative concurrence of the Agency's Board to extend the term of the contract beyond a five-year period without undergoing a new solicitation process.

The successful Proposer(s) will be required to execute a contract with the Agency/Agencies that incorporates the Agencies' [Standard Clauses for Contracts](#) and [MWBE Participation Requirements and Procedures for Contracts](#), hyperlinked herein as Appendices I and II, respectively.

13. Proposal Requirements

A complete proposal for this RFP is comprised of five (5) separate tabs: (i) Tab One: Proposal Cover Sheet, Cover Letter and Proposal Certification; (ii) Tab Two: Technical Proposal; (iii) Tab Three: Cost Proposal; (iv) Tab Four: Administrative Proposal; and (v) Tab Five: EEO, Diversity and SDVOB Proposal.

The Proposal must be complete and prepared in the format consistent with the instructions provided in this RFP. In all instances, the Agency's/Agencies' determination regarding a proposal will be final. Proposals not organized in the manner prescribed in this RFP may be considered non-responsive at the Agency's/Agencies' sole discretion. Proposers should not refer to other parts of the proposal, to information that may be publicly available elsewhere, or to the Proposer's or other websites in lieu of answering a specific question.

14. Contents of Proposals

The Proposer must submit a proposal that clearly provides all the information required in this RFP. Emphasis should be made on conformance to the RFP instructions, responsiveness to the RFP requirements, and clarity of content. The Proposer is advised to thoroughly read and follow all instructions contained in this RFP. Proposals that do not comply with these instructions, or do not meet the full intent of all the requirements of this RFP may be subject to scoring reductions during the evaluation process or may be deemed non-responsive.

The Agency(ies) does/do not require, nor desire, any promotional material that does not specifically address the proposal requirements in this RFP.

The proposal should demonstrate that the Proposer is qualified to perform the Scope of Work based upon prior relevant professional experience and credentials, if any.

The completed proposal will include Tabs One through Five, as described in the Proposal Submission Requirements section of this RFP. Each Tab must be electronically bookmarked as “Tab 1,” “Tab 2,” “Tab 3,” “Tab 4,” and “Tab 5,” and must be presented in the exact order requested in this RFP. A proposal that does not include all required information and completed forms may be subject to rejection.

The Proposer’s proposal must contain responses to the items listed below.

14.1 TAB 1: Proposal Coversheet, Cover Letter and Proposal Certification

The Proposer shall submit, as part of its Proposal Submission, the Proposal Coversheet, Cover Letter and Proposal Submission Certification (collectively titled as “Attachment I” of Tab 1) as outlined in this RFP

14.1.1 Proposal Coversheet

The Proposer shall complete and submit a Proposal Coversheet which contains identifying information for the firm. The Coversheet must be submitted utilizing the template provided in Attachment I.

14.1.2 Cover Letter with Executive Summary (3 pages)

The Proposer’s Cover Letter must (i) be on Proposer letterhead, (ii) not exceed three (3) pages, and (iii) include the following items:

1. The Proposer’s name, address, telephone number, fax number, email address and web site address, if applicable;
2. The names, titles, telephone numbers, fax numbers, and email addresses of the principals and the individual(s) within the Proposer’s organization who will be the Agency’s/Agencies’ primary contact concerning the proposal;

3. A summary of the Proposer’s organizational history and legal structure (*e.g. corporation, State of incorporation, authority to do business in the State of New York, evidence of MWBE and/or SDVOB certification status, etc.*);
4. The location of the Proposer’s main business office. If there are other locations of the Proposer that may be involved in future transactions, identify those other locations and include names/telephone numbers/fax numbers/email addresses of contact persons in those locations;
5. A statement affirming the number of years that the Proposer or its principals have provided similar Forensic Audit Services to those described in the Scope of Work section of the RFP; **AND** indicate at least three engagements completed within the past five years (*excluding engagements provided for the Agencies*), comparable in nature, to those services described in the Scope of Work section of this RFP; and
6. The name(s) of the primary staff who will provide services to the Agency(ies).

14.1.3 Proposal Certification

Proposer shall complete and submit with their Proposal Submission a signed certification (“Proposal Certification”) which affirms that the information contained in the proposal is true and accurate and that the person signing the Proposal Certification is authorized to submit the proposal on behalf of the Proposer. The Proposal Certification must be submitted utilizing the template provided in Attachment I of Tab 1.

14.2 TAB 2: Technical Proposal

This section of the RFP provides instructions to Proposers regarding information that is to be included in the Technical Proposal. The content in Tab 2 is limited to ten (10) letter-size pages, double spaced, minimum 12-point font, and at least one-inch margins. The ten-page limit in Tab 2 does not include resumes, references, organizational chart, etc. Proposal documents must be complete, factual and as detailed as necessary to allow the Agency/Agencies to adequately evaluate capabilities and experience for the Forensic Audit Services required under the contract(s) awarded to the successful Proposer(s).

The purpose of the Technical Proposal is to provide the Proposer an opportunity to demonstrate its qualifications, competence and capacity to undertake the Scope of Work described in the Scope of Services section of this RFP, in a manner which complies with the requirements in this RFP.

The Agency/Agencies is/are seeking evidence of Proposer’s experience in providing the Forensic Audit Services described in the Scope of Work section of this RFP. Proposals must specifically

detail a Proposer's qualifications and experience in providing services sought by the Agency(ies). Please provide the items indicated below.

1. COMPANY BACKGROUND. A brief description of Proposer's qualifications and capacity to serve as the Auditor for the Agencies that includes:
 - a) A brief description of your firm and its organizational structure, including its ownership, size and location of offices from which work will be performed;
 - b) A brief description of the range of activities performed by Proposer including specific references to engagements similar in size and scope to that of the Agencies, especially with respect to the volume of transactions and comparable funding;
 - c) A profile of the audit staff for this engagement including detailed resumes with relevant experience of the partner(s), management staff and associates who would be assigned to manage and complete the engagement;
 - d) Proposer's participation in training and continuing professional education in auditing governmental programs;
 - e) A description of the Proposer's quality control procedures, and review and supervisory procedures;
 - f) Discuss the results of Proposer's internal and independent quality control reviews, including information on peer review;
 - g) Proposer's information technology capabilities and a description of how such capabilities will support the audit effort;
 - h) Discussion of your Firm's presence in New York State including any offices maintained in the State, the number of staff employed in the State and the number of staff covering the Agencies who are employed in the State;
 - i) Describe the Proposer's corporate citizenship and commitment to New York State, including local procurement of goods and services, development or participation in internship programs or scholarships and corporate philanthropy;
 - j) Provide a list and description of any proceedings against Proposer, pending or contemplated by any governmental agencies or oversight body, such as the NYS Education Department – Office of the Professions, AICPA, IRS, Stockholders' Group, Trustee, or entity including, but not limited to, any pending or anticipated

proceedings or rule or order relating to a violation or alleged violation by Proposer of any federal or state statute or regulation that could have an adverse material impact on the Proposer's ability to successfully perform the Agencies' audits. Provide a listing of all sanctions and/or fines imposed on Proposer during the last 24 months in connection with any proceedings of the types described in the proceeding sentence. Also, provide the Agencies with a list and description of any pending or anticipated proceedings by private parties against Proposer (individually or in the aggregate) that Proposer has determined may have a material adverse impact on the current financial status or operations of Proposer;

- k) Disclose any existing or contemplated relationship with any other person or entity, including relationships with any parent, subsidiary or affiliated firm, which would constitute an actual or potential conflict of interest or appearance of impropriety, relating to other clients/customers of the Proposer or former officers and employees of the Agencies, in connection with your rendering services enumerated in this RFP. If a conflict does or might exist, please describe how your Firm would eliminate or prevent it. Indicate what procedures will be followed to detect, notify the Agencies of, and resolve any such conflicts; and
- l) Disclose whether the Firm, or any of its members discussed in paragraph (l) above, has been the subject of any investigation or disciplinary action by the New York State Commission on Public Integrity or its predecessor State entities (collectively, "Commission"), and if so, a brief description must be included indicating how any matter before the Commission was resolved or whether it remains unresolved.

2. EXPERIENCE AND PERFORMANCE. Proposer to demonstrate its experience to perform the scope of services described in the Scope of Services section in this RFP as indicated below.

- (a) Describe your Firm's experience and familiarity with all relevant statutes, regulations, policies and industry standards affecting Mitchell-Lama housing companies. References must be specific.
- (b) Describe your Firm's capacity to conduct forensic audits of owners and managing agents of multifamily homeownership and rental housing similar in magnitude to Mitchell-Lama housing companies in HCR's portfolio, and its experience of at least five (5) years with audits of these entities.
- (c) Include a list of clients for whom you currently provide, and have previously provided, similar auditing services as described in this RFP, especially multi-family finance agencies and State agencies along with a description of the type of engagements. Include references that may be contacted, with contact information,

with respect to your work on these matters. The reference contract information should include an individual of the client that can speak with authority as to work performed for the client.

- (d) Describe your Firm's experience with governmental housing finance agencies and public authorities.
- (e) Discuss a general outline of your auditing approach. Include any special expertise that your Firm will bring to this engagement. Demonstrate your Firm's ability to provide all of the deliverables within the timetable described herein, in accordance with your Firm's auditing approach.
- (f) If your Firm has served as an auditor for the Agency, discuss your Firm's audit performance. If your Firm has not served as an auditor for any of the Agencies, discuss your audit performance with respect to a similar governmental housing finance agency, public authority or not for profit agency.
- (g) Include the nature and amount of assistance your Firm expects from the Agencies for the timely completion of the audits, including availability of Agency staff during other than normal business hours, if any.
- (h) Provide a summary of comparable engagements, either as a lead or supporting firm, including a brief description of how three (3) of these experiences are relevant or complementary to the Scope of Work described in this RFP.
- (i) Describe the experience of key personnel, including lead and supporting staff, responsible for performing work under a contract(s) with the Agencies. Attach a copy of the proposed organizational chart together with resumes, titles and contact information for all key and supporting staff. The information required herein must also be provided for any subcontractors or partners.
- (j) Provide a minimum of three (3) references for the Proposer and at least two references for any subcontractors or partners. Each reference should include the name, title, telephone number, and email address for each contact person and each company. Attach a brief summary of the relationship between the reference and the Proposer. The reference contract information should include an individual of the client that can speak with authority as to work performed for the client.

The Agencies are not responsible for the degree of or lack of responsiveness of the references listed by a Proposer, subcontractor or partner. The Agencies are not

required to alert Proposers about a reference's unresponsiveness during the evaluation of a proposal.

14.3 TAB 3: Cost Proposal

In a separate attachment to be labeled as "Tab 3: Cost Proposal," provide information concerning all fees to be charged by your firm over the course of the engagement for Forensic Audit Services. Proposals must provide a fee schedule for the services described in the RFP, including the pricing for any proposed additional auditing services that the vendor may suggest as part of the forensic audit. Fees should be inclusive of all out-of-pocket expenses.

Proposals must provide a payment schedule for services rendered, including periodic billing intervals. Each invoice should specify a cost breakdown among major programs and audit activities. A final invoice shall be due and payable upon the submission of the final investigation reports. Include any measure proposed by you to reduce the cost to the Agencies in retaining your Firm.

Although proposed fees will be taken into account, the Agencies reserve the right to negotiate a lower or different fee structure with any Firm selected.

14.4 TAB 4: Administrative Proposal

Proposers are subject to the requirements indicated in the Agencies' [Standard Clauses and Requirements for Solicitations](#), hyperlinked herein as Exhibit A. Such requirements include, but are not limited to, submission of the following information and forms: (a) [Vendor Information FORM](#); (b) [Lobbying Procurement Law FORM 1](#) and [Lobbying Procurement Law FORM 2](#); (c) [Non-Collusive Bidding Certification FORM](#); (d) [Vendor Responsibility Questionnaire for For-Profit Business Entity](#) OR [Vendor Responsibility Questionnaire for Not-For-Profit Entity](#); (e) [Vendor Assurance of No Conflict of Interest and Detrimental Effect](#); and (f) [Executive Order #16 – Prohibiting Contracting with Businesses Conducting Business in Russia](#).

In addition to completion of the forms hyperlinked in the paragraph above, Proposers must provide all other information indicated in this section for TAB 4.

14.4.1 Insurance Requirements

The following requirements may be subject to change and negotiation with the successful Proposer/Bidder. Where the Proposer/Bidder is proposing insurance coverage that deviates from the requirements below, please provide an explanation in the Bid Proposal for why the coverage proposed is sufficient.

The successful Proposer (“**Contractor**”) and its subcontractors, if any, are required to provide and maintain, at its (their) sole cost and expense, the required insurance coverage, issued on an occurrence basis², at the minimum limits specified herein during the term of the contract and for two (2) years after completion of work. All required insurance policies shall be maintained with insurance companies licensed within the State of New York and holding an AM Best rating of no less than A- VIII. Said policies shall contain a provision that coverage will not be canceled, non-renewed or materially changed, until at least thirty (30) days’ prior written notice has been provided to the Agencies. The Agencies and their Affiliated Agencies³ and any and all other parties-in-interest as the Agencies may designate in writing from time to time (collectively, the “Additional Insureds”), all as their interests may appear, shall be named as additional insureds. Contractor (*and its subcontractors, if any*) agrees to have included in each of the above policies for Contractor’s Parties⁴, a waiver of the insurer’s right of subrogation against the Additional Insureds. The Agencies reserve the right to set minimum insurance limits in any subcontracting agreement between the Contractor and its subcontractor(s), if any.

The Contractor (*and its subcontractors, if any*) shall furnish to the Agencies evidence of the insurance requirements indicated below prior to execution of awarded Agreement. The Agencies reserve the right to modify these insurance requirements.

1. Workers’ Compensation Documentation. The successful Proposer will be required to provide the Agencies with written evidence of their workers’ compensation insurance coverage utilizing ONE of the following forms:

- ✓ **Form C-105.2** – Certificate of Workers’ Compensation Insurance issued by private insurance carriers; **OR**
- ✓ **Form U-26.3** issued by the State Insurance Fund; **OR**
- ✓ **Form SI-124** – Certificate of Workers’ Compensation Self-Insurance; **OR**
- ✓ **Form GSI-105.2** - Certificate of Participation in Workers’ Compensation Group Self- Insurance; **OR**
- ✓ **CE-2006** – Certificate of Attestation of Exemption from NYS Workers’ Compensation and/or Disability Benefits Coverage.

2. Disability Benefits Documentation. The successful Proposer will be required to provide the Agencies with written evidence of disability benefits insurance coverage utilizing ONE of the following forms:

² Occurrence basis are insurance policies under which all Claims occurring during the period of the policy are covered, irrespective of when the Claim is made.

³ Affiliated Agencies shall mean the agencies comprising New York State Homes and Community Renewal that are not parties to the contract resulting from this RFP process.

⁴ Contractor’s Parties shall mean Contractor and those working on its behalf including, but not limited to, subcontractors and vendors.

- ✓ **Form DB-120.1** - Certificate of Disability Benefits Insurance; **OR**
- ✓ **Form DB-155** - Certificate of Disability Benefits Self-Insurance; **OR**
- ✓ **CE-200** – Certificate of Attestation of Exemption from New York State Workers’ Compensation and/or Disability Benefits Coverage.

3. Professional Errors and Omissions Liability – Errors and Omissions (*or Professional Liability*) insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the general aggregate. The coverage must include the following:

- Insure loss arising from any claim or claims made arising out of the scope of services during the policy period by reason of any covered error, omission or negligent act committed in the conduct of the insured’s professional business during the policy period;
- If coverage is written on a claims-made policy, the Contractor warrants that any applicable retroactive date precedes the start of work; and that continuous coverage will be maintained, or an extended discovery period exercised, throughout the performance of the services and for a period of not less than three years from the time work under the Contract resulting from this RFP process is completed; Written proof of this extended reporting period must be provided to the Agency prior to the policy’s expiration or cancellation; and
- The policy shall cover professional misconduct or lack of ordinary skill for the positions defined in the scope of services of the Contract resulting from this RFP process.

This policy requirement applies to both primary and excess liability policies, as applicable.

4. Data Breach and Privacy/Cyber Liability Insurance, which shall include individual limits of not less than One Million Dollars U.S. Dollar (\$1,000,000) per occurrence and Five Million Dollars U.S. Dollars (\$5,000,000) in the general aggregate. Such coverage shall include failure to protect confidential information and failure of the security of the Primary Contractor’s computer systems or the users of the Agency’s/Agencies’ systems due to the actions of the Primary Contractor that result in unauthorized access to the Agency’s/Agencies’ users or their data. Said insurance shall provide coverage for damages arising from, but not limited to, the following: 1) breach of duty to protect the security and confidentiality of nonpublic proprietary corporate information; 2) personally identifiable nonpublic information (e.g., medical, financial, or personal in nature in electronic or non-electronic form); 3) privacy notification costs; 4) regulatory defense and penalties; 5) website media liability; and 6) cybertheft of customer’s property including, but not limited to, money and securities. If the policy is written on a claims-made basis, Primary Contractor must submit to the Agency(ies) an Endorsement providing proof that

the policy provides the option to purchase an Extended Reporting Period (tail coverage) providing coverage for no less than one year after work is completed if coverage is cancelled or not renewed. This requirement applies to both primary and excess liability policies, as applicable.

Certificates of Insurance, presented on Acord form 25, accompanied with additional insured endorsement CG2010 (1001) and CG2037 (0704), if determined it is necessary, or, if acceptable to the Agencies, their equivalent, shall be delivered to the Agencies, prior to beginning the Scope of Work, evidencing the coverage required hereunder and showing all such coverages as noted above being in force. All insurance policies provided by the Contractor's Parties shall be maintained under terms and conditions reasonably satisfactory to the Agencies, and Contractor's Parties shall provide such other insurance coverage as the Agencies may reasonably request from time to time. The Agencies will not accept any exculpatory language such as "endeavor to" and "but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives" on the Certificate of Insurance, i.e., the certificates shall meet the insurance requirements above.

For additional information regarding workers' compensation and disability benefits requirements, please refer to www.wcb.ny.gov.

In the event, any insurance coverage is cancelled, the Agencies must be notified immediately.

5. In addition to the foregoing, Contractor and any subcontractors, if any, shall procure and maintain any and all insurance which is required by any applicable current or future law, rule, regulation, ordinance, permit, license, order or other legal requirement.
6. All insurance shall be primary and non-contributory and shall waive subrogation against the Agencies and all of either of their former, current, or future officers, directors, and employees. No deductible of more than \$50,000 shall be permitted without advance written approval by the Agencies, which the Agencies may withhold, condition or deny in their sole and exclusive discretion.
7. The Contractor shall provide Certificates of Insurance to the Agencies prior to the commencement of work and shall provide full and complete copies of the actual policies and all endorsements upon request. Subcontractors, if any, shall be required to maintain insurance meeting all of the requirements set forth above for items 1-4; however, Contractor shall require subcontractors, if any, to maintain greater limits and/or other or additional insurance coverages if greater limits and/or other or additional insurance coverages are (a) generally imposed by the Contractor given its normal course of business for subcontracts for similar work or services to those being provided by the subcontractor at issue; or (b) reasonable and customary in the industry for similar work or services to those anticipated hereunder.

14.4.2 Financial Capacity

The Proposer must provide the last two years of their firm's most recent tax returns or, if available, audited financial statements.

15.4.3 Licenses, Certifications and other Credentials

The Proposer must respond affirmatively that it, and its subcontractors (if any), will have, prior to commencement of work under the contract(s) resulting from this RFP, all necessary licenses, certifications, approvals, and other needed credentials to perform the Scope of Work in the RFP, if applicable.

14.5 TAB 5: EEO, Diversity and SDVOB Proposal

For Tab 5, submission of the following information and forms, hyperlinked herein, is required: (a) [EEO Staffing Plan, PROC-1](#); (b) [Utilization Plan, PROC-2](#); [MWBE & EEO Policy Statement, PROC-4](#); (c) [Company Demographic Profile PROC-7](#); (d) [EEOC Statement, PROC-8](#), applicable to Proposers with 15 or more employees; and (e) [Diversity Practices Questionnaire, PROC-9](#).

15. Proposal Submission Requirements

Proposals must be delivered, by email, no later than the proposal due date and time indicated in the “*Calendar of Events and Milestones*” section of this RFP.

Proposals must be submitted by email to Nyhomes.proposal@hcr.ny.gov in searchable portable document format (“**PDF**”) compatible with Adobe Reader XI. The Agencies will not accept discs, flash drives, or FTP file references that require the Agencies to download information from the Proposer's or a third party's site.

The proposal must be bookmarked and divided into five parts: (i) Tab One: Proposal Cover Sheet, Cover Letter and Proposal Certification; (ii) Tab Two: Technical Proposal; (iii) Tab Three: Cost Proposal; (iv) Tab Four: Administrative Proposal; and (v) Tab Five: EEO, Diversity and SDVOB Proposal. Proposals must be sent in two emails and labeled as follows: (a) one email to include Tabs One, Two and Three and the subject line of the email must be labeled: “2025 Forensic Audit Services RFP: Tabs 1, 2 and 3”; and (b) the other email must include Tabs Four and Five and the subject line of the email must be labeled “2025 Forensic Audit Services: Tabs 4 and 5”.

Any proposal delivered after the date and time designated as the proposal submission deadline listed in the “*Calendar of Events and Milestones*” section of this RFP may be deemed ineligible. It is the Proposer's sole responsibility to ensure that all emails and attachments are delivered on time in a legible format. Proposers assume all risk for proposal delivery.

A proposal may be deemed to be non-responsive because it is materially incomplete. The Agencies reserve the right to seek clarification or request additional information.

The determination of whether any proposal is complete or was received on time is at the sole discretion of the Agencies.

All submitted proposals shall become the property of the Agencies.

16. Evaluation of Proposals

The Agencies reserve the right to reject all proposals received after the RFP due date and time. All proposals will be reviewed to determine if they contain all required submittals specified in this RFP. Incomplete proposals may be rejected.

16.1 Evaluation and Criteria for Selection

The evaluation process will begin with the review and evaluation of each of the written proposals. The purpose of the evaluation is two-fold: (1) to examine the responses for compliance with the requirements of this RFP; and (2) to identify the complying firm(s) that have the highest probability of satisfactorily performing the Scope of Work, described herein. The evaluation will be conducted in a comprehensive and impartial manner as set forth herein.

Proposals will undergo an evaluation process conducted by the Agencies' committee ("Committee"). The Committee will evaluate proposals based on the qualifications of both the firm and its current personnel utilizing the following criteria:

1. Demonstrated ability and capacity to perform the types of services which have been described herein;
2. Expertise, experience and availability of the Proposer to provide the Agency(ies) with the services described in the Scope of Services section of this RFP;
3. The price for the firm's services;
4. Maintenance of an office in the State of New York;
5. Diversity and commitment to equal employment opportunity and MWBE and SDVOB participation/programs;
6. Avoidance of any potential conflict of interests or appearance of impropriety and policies designed to ensure the avoidance of such conflicts in the future;
7. Financial stability;
8. Overall completeness of all information provided in the proposal; and
9. Interviews to clarify or expand on the responses (*to be conducted at the Agencies' discretion*).

16.2 Scoring of Written Proposals

16.2.1 Technical Proposal Evaluation – 65 Points

The Agency(ies)' Committee will independently score each Technical Proposal to identify Proposers with the highest probability of satisfactorily providing the services described in the Scope of Services of this RFP. Evaluations will be based on the Proposer's demonstration of its ability to provide the services required through its Technical Proposal.

16.2.2 Cost Proposal – 25 Points

The Agency(ies)' Committee will independently score each Cost Proposal for cost reasonableness.

16.2.3 MWBE Scoring – 10 Points

The Agencies' Department of Empowerment, Compliance and Opportunity ("DECO") will examine the MWBE/SDVOB documents and review them for responsiveness to MWBE/SDVOB requirements. Proposals that have identified MBEs, WBEs, MWBEs or SDVOBs as the Proposer to meet the Scope of Services are eligible to receive five (5) percentage points.

All proposals are eligible to receive five (5) percentage points if the Proposer's Staffing Plan demonstrates that a majority of its staff are comprised of minority, women or disabled veterans.

Proposers in Round 2 will be eligible to earn up to 40 points. The Committee will evaluate responses from Firms on the Short List based upon Proposer's responses to a), b), c) and d) above.

The Agencies reserve the right to forego the above Round 2 evaluation and scoring and to move forward with interviews with the expected three highest-ranking firms resulting from Round 1 evaluations and scoring. The Agencies also reserve the right to forego both Round 2 evaluations and scoring together with interviews and award a contract to the highest-ranking firm in Round 1 based on "best value."

16.3 Interviews

The Agencies reserve the right to determine whether interviews will be necessary. If the Agencies deem interviews necessary, the three highest ranking firms selected will be notified. The Proposer's primary staff person who would be responsible for the Agencies' relationship with the Proposer, as well as other key personnel proposed to provide services, including its subcontractor's primary staff person, if any, must be present and participate in the interview. The purpose of the interview is to further document the Proposer's ability to provide the required services, and to impart to the Agency Committee an understanding of how specific services will be furnished. The interview will be evaluated on the basis of whether it substantiates the characteristics and attributes claimed by the Proposer in its written response to this RFP and any other information requested by the Committee prior to the interview.

The Agencies reserve the right to negotiate or hold discussions with any Proposer.

Final selection will be based upon the above factors, as well as the interview performance. The final selection will be a "best value" selection.

16.4 Selection and Notification Process

The selected Proposer(s) will be notified via U.S. mail or email. Proposers who are not selected will be notified of the Agencies' determination via U.S. mail or email.

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FORM A: Intent to Submit Proposal Form

Intent to Submit Proposal Form

New York State Housing Finance Agency

Request for Proposals for 2025 Forensic Audit Services

This is to notify you that it is our present intent to **submit** a proposal in response to the above-referenced RFP and to acknowledge that we have read the list of experience required to meet the minimum qualifications set forth in the Scope of Services section of the RFP.

The individual to whom all information regarding this RFP should be transmitted is:

Company Name: _____

Contact Name and _____

Title: _____

Street Address: _____

City, State, & _____
Zip: _____

Phone Number: Fax Number:

Email Address: _____

Authorized _____

Signature:

Name _____ Title _____

(____) _____ (____) _____
_____ Phone _____ Number
Fax Number

Email completed Intent to Submit Bid form to:
ContractUnitInfo@hcr.ny.gov

Attachment A: Proposal Checklist

CHECKLIST FOR VARIOUS REQUIRED FORM RELATED ITEMS TO BE COMPLETED AND RETURNED:

- Tab 1 - Proposal Coversheet, Cover Letter and Certification, Attachment I

- Tab 2 – Technical Proposal

- Tab 3 – Cost Proposal

- Tab 4 - Administrative Proposal
 - [Vendor Information Form](#)
 - [Lobbying Reform Law Form 1](#)
 - [Lobbying Reform Law Form 2](#)
 - [Non-Collusive Bidding Certification Form](#)
 - Vendor Responsibility Questionnaire for [For- Profit Business Entity](#) OR [Not-For-Profit Business Entity](#)
 - [Vendor Assurance of No Conflict of Interest and Detrimental Effect](#)
 - [Executive Order #16 – Prohibiting Contracting with Businesses Conducting Business in Russia](#)
 - Proposer’s most recent two years of financial statements or federal tax returns
 - Evidence of Insurance (required upon contract award)
 - [W-9 Form](#) (required upon contract award)

- Tab 5 - Diversity and SDVOB Proposal
 - [EEO Staffing Plan, PROC-1](#)
 - [Utilization Plan, PROC-2](#)

 - [MWBE & EEO Policy Statement, PROC-4](#)
 - [Company Demographic Profile, PROC-7](#)
 - [EEOC Statement, PROC-8](#)
 - [Diversity Practices Questionnaire, PROC-9](#)

Policies, Standard Clauses and Requirements

- [Standard Clauses and Requirements for Solicitations, Exhibit A](#)
- [Standard Clauses for Contracts, Appendix I](#)
- [MWBE Participation Requirements and Procedures for Contracts](#), hyperlinked herein as Appendix II.

Attachment I

Proposal Coversheet

Attach this form to the top of your Proposal Submission.

ALL PROPOSAL SUBMISSIONS MUST BE ELECTRONICALLY MAILED TO THE E-MAIL ADDRESS SPECIFIED IN THE PROPOSAL SUBMISION INSTRUCTION SECTION OF THE RFP.

APPLYING FOR: 2025 Forensic Auditor Services

GENERAL INFORMATION ON FIRM:

Legal Name of Firm:

Firm's Mailing Address:

Firm's Website:

Firm's Main Telephone Number (including area code):

Federal Tax ID Number:

Data Universal Numbering System Number (DUNS) (if applicable):

SEC Registration Number (if applicable):

Statewide Financial System (SFS) Vendor ID Number (if applicable):

MWBE Registration Number (if applicable):

Indicate name(s) of MWBE subcontractor(s) (if applicable):

Service-Disabled Veteran-Owned Business (SDVOB) Control / Registration Number (if applicable):

Indicate name(s) of SDVOB subcontractor(s) (if applicable):

MAIN CONTACT INFORMATION FOR THIS PROPOSAL:

Please list the individual that will be the main contact *regarding this proposal*:

Contact Name:

Contact Telephone Number (including area code):

Contact E-mail Address:

Contact Facsimile Number (including area code):

PRINCIPAL IN CHARGE:

Please list the primary staff person(s) who will provide services to the Agency. Attach additional sheets if necessary.

Contact Name:

Contact Telephone Number (including area code)

ADDITIONAL CONTACTS (if applicable):

Contact Name:

Contact Telephone Number (including area code):

Contact E-mail Address:

Contact Facsimile Number (including area code):

Contact Name:

Contact Telephone Number (including area code):

Contact E-mail Address:

Contact Facsimile Number (including area code):

Proposal Certification

The Proposal Submission must be fully and properly executed by an authorized person. By signing this Proposal Certification you certify your express authority to sign on behalf of the Proposer and acceptance of the terms included in (i) this RFP, (ii) Appendix A (Agencies’ Standard Clauses For New York State Contracts) and (iii) State Finance Law §139-j and §139-k (Procurement Lobbying), and that all information provided in the proposal is complete, true and accurate. By signing this Proposal Certification, the Proposer affirms that it understands and agrees to comply with Agency procedures relative to permissible contacts as required by State Finance Law §139-j (3) and §139-j (6) (b). Proposer also affirms that it has reviewed the Minimum Insurance Requirements within the RFP and agrees to be bound by said terms.

Legal Business Name of Proposer:	D/B/A Name of Proposer:
Federal Tax Identification Number:	New York State Identification Number:
Printed or Typed Name of Authorized Firm Signatory:	Proposer Signature:
Title:	Date: