

Quote Request

Cost Certifier for Glen Hazel

Quotes due August 28, 2017 @ 2:00 p.m.

Fax to Debbie Norkevicius at (412) 456-5007

SCOPE OF WORK

Introduction

Allies & Ross Management and Development Corporation (the “ARMDC”) is soliciting a Professional Auditing Services firm (the “Auditor”) to complete a Development Cost Certification in accordance with Section 42 of the Internal Revenue Service (the “IRS”) Code and Pennsylvania Housing Finance (the “PHFA”) requirements for 225 existing rental apartment units associated with the Glen Hazel Rental Assistance Demonstration (“RAD”) (the “Project”). The project includes forty-four (44) LIHTC buildings and one non-LIHTC building. The project includes acquisition and rehabilitation credits and will track costs according to the three bond projects included in this transaction. ARMDC is soliciting a Professional Audit Services firm to complete a Development Cost Certification on behalf of future owner of the Project, Glen Hazel RAD, LLC (the “Owner Entity”), and this procurement, along with any subsequent contracts or agreement related to this procurement, may be assigned to the Owner Entity for the purposes of proper compliance with Section 42 of the IRS Code.

Scope of Work

The selected Offeror shall perform the following scope of services:

ARMDC requests an Offeror to prepare the Development Cost Certification (the “Certification”) and auditor letter on PHFA’s forms of Glen Hazel RAD, LLC as of the substantial completion date of the Project and complete the related notes to the Certifications. The offeror shall assist with responding to questions from PHFA, will review and comment on draft Cost Certifications/8609s prepared by PHFA, and prepare Part II of the expected eighty-eight (88) 8609s for filing with the IRS. The Offeror may also be asked to review and comment on the budget for basis determinations prior to financing closing.

The objective of the Certification will be the expression of an opinion about whether the Certifications are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and for the purpose of complying with the Section 42 of the Internal Revenue Code, as amended. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of Owner Entity’s accounting records and other procedures that the selected Offeror consider necessary to enable the expression of such opinion. The audit will be prepared using the latest IRS audit guidance and will determine eligible basis and the calculation of tax credits.

An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the Certifications; therefore the audit will involve judgments about the number of transactions to be examined and the area to be tested. An audit will also involve evaluating the appropriateness of the accounting policies used

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and the reasonableness of significant accounting estimates made by the property manager (the “Management”), as well as evaluating the overall presentation of the Certification. The selected Offeror will plan and perform the audit to obtain errors, fraudulent financial reporting, misappropriations of assets, or violations of law or governmental regulations that are attributable to the Owner Entity or the acts by Management on behalf of the Owner Entity.

To the extent possible, Management will provide cost information, and make invoices and other documentation available to the selected Offeror during construction in order to facilitate the timely progress and completion of the selected Offeror’s engagement and to minimize the time requirements. PHFA requires the final Certification to be submitted within a specified time frame following completion. Thus, the Offeror will be expected to prepare and share a draft of the cost certification following financial closing, to be updated throughout construction. ARMDC expects to have the planning meeting with the selected Offeror to develop a plan and to affix the responsibilities prior to actually commencing the audit.

Offerors should indicate in their responses their experience with preparing Cost Certifications for PHFA and their familiarity with Tax-Exempt Bond requirements in LIHTC projects.

Please contact Debbie Norkevicus at 412.456.5000 Ext. 8505 or Debbie.Norkevicus@HACP.org with any questions about the above scope.

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Quotes due 8/28/2017 @ 2:00 p.m.

Contract award will be based on lowest total bid amount

Cost Certification at 100% Completion: \$_____

Cost Certification at 100% Completion: \$_____

(in words)

(Please print clearly)

Company Name: _____

Address: _____

(of company)

Signature: _____

Print Name: _____

(of person signing)

Phone Number: _____ Fax: _____

Email: _____