



**REQUEST FOR PROPOSALS FOR QUALITY ASSESSMENT REVIEW
OF INTERNAL AUDIT SERVICES**

DECEMBER 14, 2016

The New York City Housing Development Corporation (“HDC” or the “Corporation”) is soliciting responses to this Request for Proposals (“RFP”) from firms interested in performing a Quality Assessment Review (QAR) of the Internal Audit Services.

HDC is a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State of New York created pursuant to Article XII of the New York Private Housing Finance Law. The Corporation has the authority to issue tax-exempt and taxable debt for the purpose of financing the construction or rehabilitation of affordable housing located within the City of New York. In the fiscal year ended October 31, 2016, HDC and its subsidiaries had combined revenues of \$426 million and assets exceeded \$14 billion. Further information about HDC is available on our website (www.nychdc.com).

Our Internal Audit Department consists of four professionals, including the Vice President who reports to the Senior Vice President for Administration. The Vice President has access to the Audit Committee. The department provides independent appraisals of key financial and operational controls. The department also shares best practices that promote operational efficiencies and cost saving opportunities. Our audit plan is the result of an annual risk assessment. A copy of the approved 2016 Audit Plan is enclosed for your reference.

Scope of work

The selected independent party will:

- Assess the conformity of the Internal Audit activity to The Institute of Internal Auditor’s *International Standards for the Professional Practice of Internal Auditing*.
- Evaluate the efficiency and effectiveness of Internal Audit in carrying out its mission as set forth in its charter and expressed in the expectations of HDC management.
- Identify opportunities to enhance Internal Audit’s management of resources and work processes, as well as its value to the Corporation.

Proposals are subject to the following HDC requirements:

- The project is anticipated to be performed in March 2017, with a preliminary report submitted by April 28, 2017, and the final report issued by May 19, 2017.
- Fees should include the cost of the review, plus any estimated expenses.
- Identify the credentials of the review team, including an organizational chart and the primary contact. The minimum requirements of the review team are as follows:
 - Must have performed QA services within the past four years.
 - Must have had internal and/or non-profit auditing experience.
 - Must have a minimum of five years of audit supervisory or higher experience.
 - Must have in-depth knowledge of IIA’s International Standards for the Professional Practice of Internal Auditing (“The Standards”).
- The review will be confidential, with the results provided only to designated HDC representatives.
- A written report upon completion of the QA will be addressed to the President and the Audit Committee.

Disclosures

1. Has the firm, or any of its employees, or anyone acting on its behalf, ever been convicted of any crime or offense arising directly or indirectly from the conduct of the firm’s business, or has any of the firm’s officers, directors or persons exercising substantial policy discretion ever been convicted of any crime or offense involving financial misconduct or fraud? If so, please describe any such convictions and surrounding circumstances in detail.
2. Please disclose any other employment or situation which may create a conflict of interest if your firm were to be selected, including any relationship that the firm or any of its employees may have with HDC. Please describe any such relationship in your proposal, or affirmatively state that no such relationship exists.
3. The issuance of this RFP, and the submission of a proposal by the firm or the acceptance of such proposal by HDC, does not obligate HDC in any manner whatsoever. Legal obligations will only arise upon the execution of formal agreements by HDC and the firm selected to render services described herein.
4. HDC reserves the right to amend, modify, postpone or withdraw this RFP; to waive any requirement of this RFP; to require supplemental statements and information from proposing entities; to accept or reject any or all proposals received as a result of this RFP; to extend the deadline for submission of proposals; to negotiate with any proposing entity which responds to this RFP; to hold discussions with any proposing entity; and to correct deficient proposals which do not completely conform to the

instructions given in this RFP. HDC may exercise such rights, at any time, without notice and without liability, to any proposing entity or other parties for their expenses incurred in preparation of the proposal. In its review, HDC may accept a proposal but require modification or negotiation of scope and/or bid price. Although discussions may be conducted with proposing entities submitting acceptable proposals, awards may be made without discussion.

Local Law 34 Compliance

Pursuant to Local Law 34 of 2007, amending the City's Campaign Finance Law, the City is required to establish a computerized database containing the names of any "Person" that has business dealings with the "City" as such terms are defined in the Local Law. In order for the City to obtain necessary information to establish the required database, your response to this RFP is required to include a completed Doing Business Data Form (the "Data Form"), which is attached hereto. The Data Form should be sealed in a separate envelope marked "Doing Business Data Form". The Data Form will be submitted to the Mayor's Office of the City of New York (the "City"). If the City determines that your Data Form is not complete, you will be notified by the City and given four (4) calendar days to cure the specified deficiencies. Failure to do so will result in your proposal being deemed incomplete and therefore non-responsive.

Equal Employment

Provide a copy of the firm's most recent Employer Information Report EEO-1 and include as Attachment to the Proposal.

Minority and Women Owned Business Enterprise (MWBE)

HDC is dedicated to furthering the participation of minority and women-owned businesses in its work. All respondents are urged to include in their proposals methods for facilitating the participation in the project of businesses that have been certified by the New York City Department of Small Business Services ("SBS") as women or minority owned. This can take any form a Respondent considers appropriate including, but not limited to, proposals intended to ensure the utilization of certified minority and women-owned businesses as subcontractors or as joint-venture partners. In addition, proposals from minority and women-owned respondents are encouraged.

Instructions for Submission

Written proposals incorporating all the requirements stated herein should be delivered to New York Housing Development Corporation, 110 William Street, 10th Floor, New York, New York 10038, Attention: Shirley Jarvis, Vice President, Internal Audit by the close of business on January 20, 2017.

Proposals must be signed by an authorized official and should include the name, title, address, and telephone number of individuals with authority to negotiate and

contractually bind the firm, and who may be contacted during the period of proposal evaluation.

Review of Proposal and Selection of Firm

Selection of a firm will be made after analysis of the qualifications of respondents, fees and oral interviews by internal audit and our QA oversight committee. All questions should be directed to Shirley Jarvis at (212) 227-7604 or sjarvis@nychdc.com.