

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
JUNE 26, 2014**

**RESOLUTION NO. 2014-16**

**WHEREAS**, The Housing Authority of New Orleans (HANO) is required to obtain an independent annual audit of its finances to submit to the State of Louisiana; and

**WHEREAS**, HANO's four year 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 the accounts of Crescent Affordable Housing Corporation (CAHC), HANO's non-profit subsidiary, for the provision of annual audit services; and

**WHEREAS**, HANO issued Request for Proposals (RFP) Number 14-905-07 to procure annual audit services on March 28, 2014, and received responsive proposals from five (5) respondents on April 21, 2014; and

**WHEREAS**, HANO conducted evaluations of each proposal submitted establishing CohnReznick LLP as the highest ranked respondent; and

**WHEREAS**, CohnReznick LLP has committed to hire one individual to comply with HANO's Section 3 Training requirement, or alternatively, has offered to contribute 6% of the total contract value to the HANO Section 3 Training Fund and has agreed to work with HANO's Section 3 Coordinator to identify subcontracting opportunities for DBE/WBE and Section 3 Businesses; and

**WHEREAS**, HANO has successfully completed due diligence on CohnReznick LLP 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 scope of services, that approval be given to award a contract to CohnReznick LLP, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$350,000.00 for the fiscal year ending September 30, 2014, and in an amount not to exceed \$360,000.00 for the fiscal year ending September 30, 2015. A one-year option period for the fiscal year ending September 30, 2016 will be negotiated prior to executing the contract extension, if exercised.

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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 CohnReznick LLP, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$350,000.00 for the fiscal year ending September 30, 2014, and in an amount not to exceed \$360,000.00 for the fiscal year ending September 30, 2015 to provide annual audit services. A one-year option period for the fiscal year ending September 30, 2016 will be negotiated prior to executing the contract extension, if exercised.

**Executed this 26<sup>th</sup> day of June, 2014**

**APPROVAL:**

A handwritten signature in black ink, appearing to read "Willie C. H. Garrett", is written over a horizontal line.

**WILLIE C. H. GARRETT**  
**CHAIRMAN, BOARD OF COMMISSIONERS**



**June 26, 2014**

**MEMORANDUM**

**To: Willie C. H. Garrett  
Chairman, Board of Commissioners**

**Through: Marilyn O'Sullivan  
Administrative Receiver**

**From: Audrey Plessy  
Procurement Manager**

**Re: Annual Audit Services in Response to Request for Proposal # 14-905-07**

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The Housing Authority of New Orleans (HANO) issued a Request for Proposals (RFP) on Friday, March 28, 2014 for the purpose of procuring Annual Audit Services, pursuant to Request for Proposals Number 14-905-07.

The proposal package was prepared and distributed by the Procurement and Contracts Department. The RFP was advertised for a total of 25 days and notice of issuance was sent to twenty-six (26) potential respondents. The advertisement was published in the Times-Picayune on Friday, March 28, 2014, Wednesday, April 2, 2014 and Wednesday, April 9, 2014 and posted on NOLA.com. Additionally, the solicitation, in its entirety, was posted on the HANO website and made available to the public for download. A total of five (5) proposals were received on Monday, April 21, 2014 from the following firms:

- CliftonLarsonAllen LLP
- CohnReznick LLP
- Novogradac & Company LLP
- Berman Hopkins Wright & LaHam, CPAs and Associates, LLP
- Isdaner & Company LLC

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 Friday, May 16, 2014, the evaluation committee met, and was given an overview of the scope of services, and instructed on the proper procedure for proposal evaluation. Upon completion of the training, the committee commenced with a review of the proposals. In determining the scores, the committee discussed each proposal in detail and was able to reach consensus on all scores.

Based upon the consensus scores, the evaluation committee recommended award of a contract to the highest ranked respondent, CohnReznick LLP, to provide annual audit services to the Housing Authority. CohnReznick LLP submitted a cost proposal that identified hourly rates to

conduct a financial audit of the accounts and records of HANO and its component units, in an amount not to exceed \$350,000.00 for the fiscal year ending September 30, 2014, and in an amount not to exceed \$360,000.00 for the fiscal year ending September 30, 2015. If exercised, a one-year option period for the fiscal year ending September 30, 2016 will be negotiated prior to executing the contract extension. The committee determined that the cost proposal provided by CohnReznick LLP is reasonable based on a comparison of the in-house cost estimate and a comparison of rates from other firms.

CohnReznick LLP has committed to hire one individual to comply with HANO's Section 3 Training requirement or alternatively, has offered to contribute 6% of the total contract value to the HANO Section 3 Training Fund. Additionally, they agreed to work with HANO's Section 3 Coordinator to identify subcontracting opportunities for DBE/WBE and Section 3 Businesses.

A due diligence review was conducted on the recommended firm which consisted of obtaining reference verifications regarding the previous work performance of the firm. Additionally, the List of Parties Excluded from Federal Procurement and Non Procurement Programs was checked to ensure that the firm was not debarred from participation in federally funded contracts. Further, the Louisiana Secretary of State website was checked to determine whether the firm was active and in good standing. Results from the due diligence review indicate that the respondent is responsible.

Therefore, I hereby certify that this procurement was conducted in accordance with all applicable Federal and State regulations and laws, and in accordance with HANO's Procurement Policy. I further certify that CohnReznick LLP submitted the highest ranked proposal in response to the RFP.

It is recommended that approval be given to award a contract to CohnReznick LLP to conduct financial audits of the accounts and records of HANO and its component units at hourly rates for the initial contract period of two years, in an amount not to exceed \$350,000.00 for the fiscal year ending September 30, 2014, and in an amount not to exceed \$360,000.00 for the fiscal year ending September 30, 2015. A one-year option period for the fiscal year ending September 30, 2016 will be negotiated prior to executing the contract extension, if exercised.