

**REQUEST FOR PROPOSALS**

**FOR**

**EXTERNAL AUDIT SERVICES**

**Issued by the Heartland Regional Investment Fund**

**Proposals Due By:**

**January 18, 2024, at 3:00 PM**

**Heartland Regional Investment Fund  
c/o St. Louis Economic Development Partnership**

**ATTN: Erika Castillo**

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**TABLE OF CONTENTS**

*Request for Proposals Summary*

<b>I. Introduction.....</b>	<b>2</b>
<b>II. Background .....</b>	<b>2</b>
<b>III. Statement of Purpose &amp; Scope of Work .....</b>	<b>3</b>
<b>IV. Instructions to Applicants .....</b>	<b>3</b>
<b>V. Review of Proposals .....</b>	<b>5</b>
<b>VI. Other Considerations.....</b>	<b>6</b>

## **REQUEST FOR PROPOSALS FOR EXTERNAL AUDIT SERVICES**

### **I. Introduction**

The Heartland Regional Investment Fund, LLC (“HRIF”) seeks a Certified Public Accounting firm to conduct independent audits of financial records and to prepare and file associated tax returns.

Closing Date: An electronic copy of the completed proposal will be submitted to the HRIF and must be received no later than **3 PM CT on Thursday, January 18, 2024**. Electronic proposals should be submitted to Erika Castillo, at [Ecastillo@stlpartnership.com](mailto:Ecastillo@stlpartnership.com), with a copy to Toni Fox, at [Tfox@stlpartnership.com](mailto:Tfox@stlpartnership.com).

Contact:

Toni Fox, Controller  
St. Louis Economic Development Partnership  
St. Louis, MO 63105  
314-615-7663  
[Tfox@stlpartnership.com](mailto:Tfox@stlpartnership.com)

Questions: Technical assistance is limited to providing copies of previous audit reports and answering questions regarding clarification of Request for Proposal (“RFP”) instructions, definitions, or terms. All questions may be submitted **in writing** to Toni Fox at the contact address above.

Contract Period: This award will be for a period of up to three years, which may include audits of Heartland Regional Investment Fund, LLC (“HRIF”) and approximately eight (8) separate HRIF subsidiary community development entity funds for fiscal years ending December 31, 2023, December 31, 2024, and December 31, 2025.

### **II. Background**

Heartland Regional Investment Fund (“HRIF”): HRIF was formed in 2010. HRIF is a Missouri limited liability company and is certified as a qualified community development entity (“CDE”) under the New Markets Tax Credit (“NMTC”) Program. HRIF’s mission is to serve and provide investment capital for low-income communities and low-income persons, consistent with the NMTC Program and to serve as a managing member for subsidiary CDEs. Members of the HRIF include the St. Louis Economic Development Partnership (“SLEDP”), the managing member; the City of St. Charles, Missouri, a Missouri municipality; and Southwestern Illinois Development Authority (“SWIDA”), an Illinois special-purpose municipal corporation. SLEDP, the City of St. Charles, and SWIDA hold percentage interests in the company equal to 51%, 25%, and 24% respectively. HRIF was awarded \$32 million from the NMTC Program in 2011, \$38 million in 2014, \$30 million in 2015, \$50 million in 2020, and \$30 million in 2021. Each year, HRIF applies for additional funds. HRIF is an umbrella organization for multiple entities/funds, known as “Sub-CDEs” that are created to facilitate each NMTC deal or loan. In

addition to Heartland Regional Investment Fund, LLC, there are currently eight (8) active Sub-CDEs. Additional entities may be created during the audit year for new deals.

### **III. Statement of Purpose & Scope of Work**

HRIF: The primary purpose of the audit is to express an opinion on HRIF and its related Sub-CDEs. The designated firm will be required to conduct a comprehensive review of all facets of HRIF's financial affairs and submit opportunities for the improvement of internal accounting controls and management efficiencies. Any deficiencies in internal control, management procedures, and statutory requirements relating to fiscal matters and financial controls shall be reported immediately to the Board Chairperson, Treasurer, Chief Executive Officer, and Chief Financial Officer for the SLEDP. The auditors' report must be completed by April 30th of each year. HRIF's fiscal year is January 1 through December 31. The engagement includes preparation of the IRS and State(s) Form 1065 for required entities: Heartland Regional Investment Fund, LLC and the existing eight (8) Sub-CDE's. Additional Sub-CDE's may be created throughout the year.

The designated firm's examination shall be made in accordance with auditing standards generally accepted in the United States of America. The review should also advise HRIF and SLEDP of the optimal approach to complete all required audits. This review should include tests of the accounting records and the supporting evidence, observations, and review of the system of internal control, as the selected firm considers necessary to express an opinion.

### **IV. Instructions to Applicants**

- A. Questions: Technical assistance is limited to answering questions regarding clarification of RFP instructions, providing copies of previous financial reports, definitions, or terms. All questions may be referred **in writing** to Toni Fox as shown on the RFP summary page.
- B. Proposal Content Requirements: All proposals must be submitted in the following format and include all of the required information.
  1. Applicant Information: On a cover sheet to the proposal, provide the official name, address, phone number, and fax number of the applicant, as well as the name of the principal contact person and the name of the person authorized to execute the contract.
  2. Project Description/Work Plan: Provide a comprehensive description of the services to be provided. The proposal should set forth a work plan, including an overview of the audit methodology to be followed in order to perform the services required herein. In developing the work plan, references should be made to such sources of information as HRIF's prior period financial reports, budgets, and related materials. Bidders will be required to provide the following information on their audit approach:

- Proposed segmentation of the engagement with anticipated time frames for each segment.
  - Level and number of staff to be assigned to each proposed segment of the engagement.
  - Type and extent of analytical procedures to be used in the engagement.
  - Approach to be taken to gain and document an understanding of the HRIF’s internal control structure.
  - Approach to be taken in determining laws and regulations that will be subject to audit test work.
  - Identification of the approach used to test the controls and test compliance.
  - Identification of the extent of substantive tests of balances procedures to be performed.
  - Identification of the firm’s pre-issuance quality control review procedures to which HRIF’s audit reports will be subject. If firm personnel other than members of the engagement team will be involved in the pre-issuance review, those individuals should be identified.
  - Identify and describe any anticipated potential audit problems, the firm’s approach to resolving these problems, and any special assistance that will be requested from HRIF.
3. **Staff Qualifications:** Identify the key individuals who will have primary responsibility for HRIF’s audit and include their experience.
  4. **References:** Provide a reference list of current clients for which the firm has performed similar services, complete with contact person, phone numbers, and email addresses.
  5. **Pricing:** For *each entity audited*, the firm’s bid price for each of the three years should be displayed as follows:

<b>Year</b>	<b>Maximum Professional Fees for Audit of Financial Statements</b>	<b>Maximum Out-of-Pocket Expenses</b>	<b>Total Audit Fees</b>	<b>Preparation of Tax Returns, as applicable</b>
<b>2023</b>				
<b>2024</b>				
<b>2025</b>				

6. **Independence:** The firm should provide an affirmative statement that it is independent of HRIF and SLEDP as defined by current professional standards. Any perceived or potential conflicts of interest must be disclosed in the proposal.

7. Licensed to Practice in Missouri: An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered/licensed to practice in Missouri. Note any additional licensure in Illinois.
8. Approach to Diversity, Equity, and Inclusion. Provide a description of the firm's approach to diversity, equity, and inclusion in providing the services.
9. Proposal Guidelines: Proposals must be completed within the guidelines of the RFP. All proposals received will be considered to be in final form. Supplemental information will not be considered after the deadline for submission of proposals, unless requested by HRIF.
10. Submittal: An electronic copy of the proposal shall be submitted to Erika Castillo, at [ecastillo@stlpartnership.com](mailto:ecastillo@stlpartnership.com), with a copy to Toni Fox, at [tfox@stlpartnership.com](mailto:tfox@stlpartnership.com). **The completed proposal must be received no later than 3 PM CT on Thursday, January 18, 2024.**

## V. Review of Proposals

- A. A review team will be designed by the Chief Financial Officer (CFO) and/or the Controller.
- B. The CFO and/or Controller may request a meeting with those firms considered most qualified to perform the services described in this RFP.
- C. The CFO and/or Controller will forward to the Budget and Audit Committee of SLEDP and HRIF's Governing Board a recommendation regarding which firm should receive the award.
- D. Proposals will be reviewed by HRIF in accordance with the following criteria:
  1. The proposed approach to the project description/work plan.
  2. The level of experience of the individual(s) identified to work on this project.
  3. The experience of the firm and its assigned personnel with similar projects.
  4. The responses from references.
  5. The quality of additional reports provided to management.
  6. Approach to diversity, equity, and inclusion on the engagement.
  7. The total proposed cost.

HRIF actively encourages submission of proposals from disadvantaged business enterprises and companies owned by minorities, women, immigrants, and veterans. HRIF does not discriminate on the basis of race, color, religion, creed, sex, sexual orientation, gender identity, age, ancestry,

national origin, disability, or veteran status in consideration of this award. Equal Opportunity Employer.

## **VI. Other Considerations**

### **A. Meetings:**

Audit related meetings may be held as needed during the audit engagement. Attendees at all official meetings should include, at minimum, the firm's designated representative(s) and the SLEDP's Controller and/or Chief Financial Officer. Official meetings may include, but are not limited, to:

1. Planning meetings held prior to the start of audit work each year.
2. Progress meetings to gauge audit progress and to assist facilitating the timely completion of the audit.
3. Exit conferences held at the end of the audit to discuss findings and recommendations resulting from the audit work performed.
4. Presentation of audits to the appropriate board.
5. Special meetings scheduled when matters involving potential fraud, theft, misuse, or misrepresentations on financial or grant reports, or similar matters are discovered that require notification and/or the determination of a course of action.

### **B. Terms and Conditions:**

The following terms and conditions apply to all proposals:

1. Applicants agree that they or their employees do not currently have, nor will they have, any conflict of interest between themselves, and HRIF or SLEDP or any of its affiliates or entities. Any perceived or potential conflict of interest must be disclosed in the proposal.
2. HRIF reserves the right to change audit phases and report due dates, to reject any and all proposals submitted; to select one or more responding parties; to void this RFP and the review process and/or terminate negotiations at any time; to select separate responding parties for various components of the scope of services; and to select a final party/parties from among the proposals received in response to this RFP. Additionally, any and all RFP project elements, requirements and schedules are subject to change and modification. HRIF also reserves the unqualified right to modify, suspend, or terminate at its sole discretion any and all aspects of this RFP process, to obtain further information from any and all responding parties, and to waive any defects as to form or content of the RFP or any responses by any party.
3. This RFP does not commit HRIF to award a contract, defray any costs incurred in the preparation of a response to this RFP, or contract for any services. All submitted responses to this RFP become the property of HRIF as public records. All proposals may be subject to public review, on request, unless exempted as discussed elsewhere in this RFP. The invitees and subsequently selected audit firm may not issue news

releases or other public notification regarding this project without prior approval from HRIF.

4. By accepting this RFP and/or submitting a proposal in response thereto, each responding party agrees for itself, its successors and assigns, to hold HRIF, St. Louis Economic Development Partnership and its affiliated entities, St. Louis County, the City of St. Louis, and all of their various agents, commissioners, directors, consultants, attorneys, officers, and employees harmless from and against any and all claims and demands of whatever nature or type, which any such responding company, its representatives, agents, contractors, successors or assigns may have against any of them as a result of issuing this RFP, revising this RFP, conducting the selection process and subsequent negotiations, making a final recommendation, selecting a responding party/parties or negotiating or executing an agreement incorporating the commitments of the selected responding party.
5. The contractor cannot transfer any interest or provide for the assignment of the professional services contract with HRIF, either in whole or in part, without the expressed written permission or written consent of HRIF.
6. Payment for services rendered will be based upon receipt of an itemized invoice from the audit firm.
7. By submitting responses, each responding party acknowledges having read this RFP in its entirety and agrees to all terms and conditions set out in this RFP.
8. Responses shall be open and valid for a period of ninety (90) days from the due date of this RFP.

### **Submission of Proposals**

**To be considered, proposals must be received no later than January 18, 2024, at 3:00 PM CT.**

#### Schedule

RFP Newspaper Advertisement	December 14-15, 2023
Questions Submitted by	Friday, January 5, 2024
Questions Answered by	Friday, January 12, 2024
Submission of Proposals by	Thursday, January 18, 2024

Questions about this RFP should be sent by email to [ecastillo@stlpartnership.com](mailto:ecastillo@stlpartnership.com), with a copy to [tfox@stlpartnership.com](mailto:tfox@stlpartnership.com). Any answers to questions will be provided to all interested parties and released as an addendum to this RFP on the Partnership's website, <https://stlpartnership.com/rfp-rfq/>, after the date indicated above.

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