

**REQUEST FOR PROPOSAL FOR AUDIT SERVICES
FOR SOUTH CENTRAL COMMUNITY ACTION PARTNERSHIP (SCCAP)**

I. GENERAL INFORMATION

A. Purpose

This request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending December 31, 2019. The proposal includes options for three (3) additional years.

B. Who may respond

Only Idaho licensed Certified Public Accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date

Proposals must be received at SCCAP, Twin Falls office, 550 Washington Street South, Twin Falls, Idaho, no later than 4:30 p.m. on October 31, 2019. Opening of proposals will begin at 12:00 p.m. on November 5th, at SCCAP, Twin Falls office, 550 Washington Street South, Twin Falls, Idaho.

2. Inquiries

Inquiries concerning this RFP should be directed to South Central Community Action Partnership, Inc. (208) 733-9351. Michelle Picklesimer, Financial Officer.

3. Conditions of Proposal

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offeror and will not be reimbursed by South Central Community Action Partnership, Inc.

4. Instructions to Prospective Contractors

Your proposal should be addressed as follows:

Name: Michelle Picklesimer
Title: Chief Financial Officer
Entity: South Central Community Action Partnership, Inc.
Address: P.O. Box 531
Twin Falls, ID 83303-0531

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

Request for Proposal
October 31, 2019, 4:30 p.m.
SEALED PROPOSAL
For Audit Services

Failure to do so may result in premature disclosure of your proposal. Late proposals will not be considered. Faxed proposals will not be considered.

Proposals can be submitted electronically to the following email address: michelle@sccap-id.org by the closing submission date noted above.

5. Right to Reject

South Central Community Action Partnership, Inc. reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based upon the factors described in this RFP.

6. Small and/or Minority Owned Businesses

Efforts will be made by South Central Community Action Partnership, Inc. to utilize small and/or minority-owned businesses.

7. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within four (4) weeks of the closing date for the receipt of proposals. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this Request for Proposal will be informed, in writing, of the name of the successful audit firm.

D. Description Entity and Records to be Audited

South Central Community Action Partnership, Inc. is a nonprofit organization which serves eight (8) counties in Idaho. South Central Community Action Partnership, Inc. is a private, nonprofit corporation and has been determined to be exempt from Federal income tax under Section 501(c)3 of the Internal Revenue Code. It is governed by a volunteer Board of Directors. Administrative offices and all records are located at 550 Washington St. South in Twin Falls, Idaho. Paper records will not be

converted to electronic files; therefore they will be reviewed in our Twin Falls office. SCCAP also has an office at 314 East 5th, Burley, ID 83318

See attachment I (Brochure and Narrative)

E. Options

At the discretion of South Central Community Action Partnership, Inc., This audit contract may be extended by one (1) year increments for a maximum of three (3) years. The cost for the option periods will be agreed upon by South Central Community Action Partnership, Inc., and the Offeror. It is anticipated that the cost for the optional years will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year, and will be negotiable if funding levels change significantly.

II. SPECIFICATION SCHEDULE

A. Scope of a Financial and Compliance Audit

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as "Offeror" to perform a financial and compliance audit of South Central Community Action Partnership, Inc.

B. Description of Programs/Contracts/Grants

See attachment II

C. Performance

The South Central Community Action Partnership, Inc.'s records will be audited from 1/1/19 through 12/31/19.

The Offeror is required to prepare audit reports in accordance with the Government Audit Standards, plus any other state audit standards that apply to programs operated by South Central Community Action Partnership, Inc. The financial statements must include prior comparisons.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to South Central Community Action Partnership, Inc.'s CFO. The draft audit report is due on 5/11/20. The draft audit will be reviewed by the CFO, CEO, or an officer of the board for finalization and presentation to the board. The final audit must be accepted by the Board of Directors.

The Offeror shall deliver twenty (20) final audit reports to South Central Community Action Partnership, Inc.'s Board of Directors no later than May 21, 2020.

Reports may be submitted earlier than the above schedule. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports which do not conform to all the provisions of this contract, South Central Community Action Partnership, Inc., may, by written notice of default to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror's proposed price should be submitted separately. We are accepting proposals for the completion of the Single Audit and the annual 990-T tax return. Specifically, include a not-to-exceed total fee, a fee per service (audit services, tax services, etc.), and average hourly billing rates by position. Any out-of-pocket expenses should also be indicated. The pricing information should be in a separate, sealed envelope. Since South Central Community Action Partnership, Inc. is required to generate matching funds, a contribution of in-kind is requested.

F. Payment

Payment will be made when South Central Community Action Partnership, Inc. has determined that the total work effort has been satisfactorily completed. Should South Central Community Action Partnership, Inc. reject a report, South Central Community Action Partnership, Inc.'s authorized representative will notify the Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Progress payments may be allowed to the extent that South Central Community Action Partnership, Inc. can determine that satisfactory progress is being made.

Upon delivery of the final reports to South Central Community Action Partnership, Inc. and their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit, plus a statement verifying the in-kind contribution. The Offeror will be paid within ninety (90) days.

G. Audit Review

All audit reports prepared under this contract will be reviewed by South Central Community Action Partnership, Inc. and its funding sources to ensure compliance with General Accounting Offices' (GAO) *Government Audit Standards* and other appropriate audit guides.

I. Exit Conference

An exit conference with South Central Community Action Partnership, Inc.'s representatives and the Offeror's representatives may be held at the conclusion of the field work. Observations and recommendations must be summarized in writing and discussed with South Central Community Action Partnership, Inc. It should include internal control and program compliance observations and recommendations.

J. Work papers

1. Upon request, the Offeror will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The work papers will be retained for at least three years from the end of the audit period.
3. The work papers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and South Central Community Action Partnership, Inc.

K. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to South Central Community Action Partnership, Inc., the Offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to those employees on the Offeror's staff who must have information on a "need-to-know" basis. The Offeror agrees to immediately notify, in writing, South Central Community Action Partnership, Inc.'s authorized representative in the event the Offeror determines or has reason to suspect a breach of the requirement.

L. AICPA Professional Standards

The AICPA Profession Standards state:

1.400.055 Governmental Audits

.01 Engagements for audits of government grants, government units, or other recipients of government monies typically require that such audits be in compliance with government audit standards, guides, procedures, statutes, rules, and regulations, in addition to GAAS.

.02 If a member accepts such an engagement and undertakes an obligation to follow specified government audit standards, guides, procedures, statutes, rules, and regulations, the member is obligated to follow such requirements, in addition to GAAS.

.03 Failure to do so is a violation of the "Acts Discreditable Rule" [1.400.001] unless the member discloses in his or her report that such requirements were not followed and the applicable reasons for not following the requirements

III. OFFEROR'S TECHNICAL QUALIFICATIONS

The Offeror, in its proposal, shall, as a minimum, include the following:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing South Central Community Action Partnership, Inc.
2. Prior experience auditing similar programs funded by the state of Idaho.
3. Prior experience auditing nonprofit organizations.

B. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Description should include:

1. Size of the Offeror, including number of employees and physical site locations.
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Results of peer review.
5. Explanation if the Offeror is a small or minority-owned business or women's business enterprise.

C. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members. Only include resumes of staff to be assigned to the audits. Include education, position in firm, industry-specific experience, continuing professional education

D. Understanding of Work to be Performed

The Offeror should describe its approach of work to be performed, including audit procedures, estimated hours, and other pertinent information.

E. Certifications

The Offeror must sign and include as an attachment to its proposal the certifications enclosed with the RFP. **The publications listed in the Certifications will not be provided to potential Offerors by South Central Community Action Partnership, Inc., because South Central Community Action Partnership, Inc. desires to contract only with an Offeror who is already familiar with these publications.**

IV. PROPOSAL EVALUATION

A. Submission of Proposals

If submitted my hard copy, all proposals shall include one (1) copy of the Offeror's technical qualifications, five (5) copies of the pricing information (in a separately sealed envelope), and one (1) copy of the signed Certifications. These documents will become part of the contract.

If the proposal is submitted electronically, submit in 3 separate documents as follows: Technical qualifications, pricing information, copy of the signed Certifications.

B. Non-responsive Proposals

Proposals may be judged non-responsive and removed from further consideration if any of the following occur:

1. The proposal is not received timely in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certifications.
4. The proposal is not adequate to form a judgement by the reviewers that the proposed undertaking would comply with the Government Audit Standards of the U. S. Comptroller General.

C. Evaluation

Evaluation of each proposal will be based on the following criteria:

Factors	Point Range
1. Prior experience auditing	
a. Prior experience auditing South Central Community Action Partnership, Inc.	0-15
d. Prior experience auditing similar programs to those operated by SCCAP.	0-10

e. Prior experience auditing non-profit organizations.	0-05
South Central Community Action Partnership, Inc. may contact prior audited organizations to verify the experience provided by the Offeror.	
2. Organization, size, and structure of Offeror's firm. (Considering size in relation to audits to be performed.)	
a. Adequate size of the firm.	0-05
b. Minority/small business.	0-05
3. Qualifications of staff to be assigned to the audits to be performed. This will be determined from the resumes submitted. Education, position in firm, years and types of experience, continuing professional education.	
b. Overall supervision to be exercised.	0-05
c. Prior experience of the individual audit team members	0-15
4. Offeror's understanding of work to be performed.	
a. Adequate coverage.	0-10
b. Realistic time estimates of each audit step.	0-05
5. Price.	0-20
6. In-kind contribution.	0-5
Maximum Points	100

D. Review Process

The South Central Community Action Partnership, Inc. may, at its discretion, request presentations by, or meetings with, any or all Offerors, to clarify or negotiate modification to the Offerors' proposals.

However, South Central Community Action Partnership, Inc. reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most

favorable terms, from both technical and price standpoints, which the Offeror can propose.

South Central Community Action Partnership, Inc. contemplates award of the contract to the responsible Offeror with the highest total points.

V. CERTIFICATIONS

On behalf of the Offeror:

- A. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
- B. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
- C. The individual signing certifies that the prices quoted in this proposal have been arrived at independently, without consultation, or agreement, for the purpose of restricting competition.
- D. The individual signing certifies that the prices quoted on this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
- E. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
- F. The individual signing certifies that the Offeror is a properly licensed certified public accountant.
- G. The individual signing certifies that the Offeror meets the independence standards of the *Government Audit Standards*.
- H. The individual signing certifies that he/she is aware of-and, all individuals to be assigned to the audit have met-the GAO Continuing Education Requirement of eighty (80) hours of continuing education every two (2) years; and that twenty-four (24) hours of this education have been in subjects directly related to the auditing of government grants by individuals.
- I. The individual signing certifies that he/she has read and understands the GAO requirement of an external quality control (peer) review at least once every three (3) years.
- J. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits: (Offeror is responsible for researching the latest revisions.)
 1. *Government Audit Standards*. (The Federal Yellow Book.)

2. *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards and Compliance Supplements.*
 3. *Audits of Not-for-Profit Entities (AICPA Audit Guide).*
 4. The individual signing certifies that he/she is familiar with Department of Energy weatherization program requirements. (*10 CFR Part 440 and 10CFR Part 600*).
 5. The individual signing certifies that he/she is familiar with Department of Agriculture's *7 CFR Parts 3015* and all USDA's Mutual Self-Help Housing requirements. (*7 CFR Part 1944*)
- K.** The individual signing certifies that he/she has read and understands all of the information in this Request for Proposal, including the information on the program/grants/contracts to be audited.
- L.** The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard work and has not been debarred or suspended from doing work with any Federal, state or local government.

If the Offeror or any individual to be assigned to the audits has been found in violation of any state or AICPA professional standards, this information must be disclosed.

Dated this _____ day of, 20____

Offeror's Firm Name

Signature of Offeror's Representative

Printed Name and Title of Individual Signing

ATTACHMENT I
Including Agency Brochure

South Central Community Action Partnership, Inc. is a non-profit Corporation with programs as described in the enclosed brochure.

Abila MIP Fund Accounting software was the accounting system for 2019. South Central Community Action Partnership, Inc. has three bank accounts. The number of checks written is approximately 2000.

The payroll process is computerized and paid almost entirely by Direct Deposit.

South Central Community Action Partnership oversees a Mutual Self-Help Housing Program. We write approximately 350 checks from a custodial account. The Offerer must review these funds totaling close to \$1,200,000.

South Central Community Action Partnership, Inc. wholly owns Home Energy Management, LLC. The Offerer must review these accounts, and include, as required, this information on South Central Community Action Partnership, Inc. accounts. Home Energy Management writes approximately 300 checks on one bank account. QuickBooks Pro 2015 was the accounting software, including payroll, used during 2019.

In addition to performing the audit on the accounts as mentioned in Attachment II, the Offerer must agree to the following:

The Offerer must provide technical assistance throughout the year as part of the audit fee.

ATTACHMENT II

South Central Community Action Partnership, Inc. Estimated Spends 2019

Funding through the Community Action Partnership Association of Idaho.

Community Services Block Grant 418	217,678
Community Services Block Grant 419	223,850
Temporary Emergency Food Assistance Program 419	73,466
Temporary Emergency Food Assistance Program 420	17,071
Low Income Home Energy Assistance Program 418	404,190
Low Income Home Energy Assistance Program 419	175,430
Department of Energy 418	47,473
Department of Energy 419	83,592
Low Income Home Energy Weatherization Program 418	487,214
Low Income Home Energy Weatherization Program 419	247,736
Bonneville Power Administration 419	<u>153,089</u>
	2,130,789

Funding through the Idaho Housing and Finance Association.

Emergency Shelter Grant 17-20	11,659
Emergency Shelter Grant 18-23	28,497
Emergency Shelter Grant 19-22	12,523
Continuum of Care - Rapid Rehousing 17-65	59,799
Continuum of Care – Rapid Rehousing 18-65	73,964
Continuum of Care – Access Point 17-77	22,011
Continuum of Care – Access Point 18-77	27,064
	235,517

Funding through Department of Agriculture

Self Help Housing 502 Loan Funds	1,090,263
Mutual Self-Help Housing Program 16	72,603
Mutual Self-Help Housing Program 18	<u>130,725</u>
	1,693,591

Funding through other Sources.

Idaho Power Company	119,873
Idaho HVAC Easy Savings Program	11,627
Expenses paid from Non Federal Sources	149,198
Services & Goods donated	<u>73,000</u>
	353,698

Total Funds for 2019 **4,413,595**

Home Energy Management Revenue for 2019 is expected to be approximately \$350,000.