



REQUEST FOR PROPOSAL
PROFESSIONAL AUDITING SERVICES

Issued: March 26, 2021

Submission Deadline: April 12, 2021

Inquiries and proposals should be directed to:

Lyla Martinez, CFO

Concho Valley Community Action Agency

P.O. Box 671

San Angelo, TX 76902

325-653-2411 ext. 7

lblue@cvcaa.org

**CONCHO VALLEY COMMUNITY ACTION AGENCY
REQUEST FOR PROPOSAL
PROFESSIONAL AUDITING SERVICES
March 26, 2021**

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, 2020. This proposal includes options for an additional four years.

B. Who May Respond

Only licensed certified public accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on April 12, 2021.
2. Inquiries: Inquiries concerning this RFP or requests for a copy of the last audit should be directed to Lyla Martinez, CFO, 325-653-2411 ext. 7 or by email to lblue@cvcaa.org.
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 CVCAA.
4. Instructions to Prospective Contractors: Your proposal should be addressed as follows:

Lyla Martinez, CFO
Concho Valley Community Action Agency

It is important that the proposal be clearly marked with the following information:

Request for Proposal
Professional Auditing Services
4:30 p.m. April 12, 2021

It is the responsibility of the Offeror to ensure that the proposal is received by CVCAA by the date and time specified above. Late proposals WILL NOT be considered.

5. Electronic or Hard Copy Submissions: Proposals can be submitted electronically to the following email address: lblue@cvcaa.org by the closing submission date noted above.

Proposals may also be submitted by hard copy to the following mailing address: PO Box 671, San Angelo, TX 76902 by the closing submission date noted above.

6. Right to Reject: CVCAA 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.
7. Small and/or Minority-Owned Businesses: Efforts will be made by CVCAA to utilize small businesses and minority-owned businesses. An Offeror qualifies as a small business firm if it meets the definition of “small business” as established by the Small Business Administration (13 CFR 121.201). An Offeror qualifies as a minority-owned business if it meets the definition of “minority-owned business” contained in 12 CFR 4.62.
8. Notification of Award:
 - a. It is expected that a decision selecting the successful audit firm will be made within six weeks of the closing date for the receipt of proposals.
 - b. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this RFP will be informed, in writing, of the name of the successful audit firm.

D. Description of Entity and Records to be Audited

CVCAA is a nonprofit organization that serves 14 counties in the Concho Valley. CVCAA 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. CVCAA is governed by a tripartite 15-member volunteer Board of Directors (five members from each of the three sectors – public, private, and low income). CVCAA’s office and all records are located in Tom Green County at 36 E. Twohig, Ste. B5, San Angelo, TX.

CVCAA maintains one set of books and one checking account. A money market and certificate of deposit are also held in CVCAA’s name. Abila MIP is used for all accounting functions including payroll. All records are available for review prior to proposal submission.

E. Options

At the discretion of CVCAA, this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed upon by CVCAA and the Offeror.

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 the "Offeror" to perform a financial and compliance audit of CVCAA.

B. Federal Funds Expended

During the fiscal year to be audited, CVCAA expended the following federal funds:

Program	CFDA	Estimated Amount
Community Services Block Grant	93.569	\$ 493,857
Comprehensive Energy Assistance	93.568	\$ 2,308,854
LIHEAP Weatherization Assistance	93.568	\$ 322,430
DOE Weatherization Assistance	81.042	\$ 102,638
Emergency Food & Shelter Program	97.024	\$ 15,095
Volunteer Income Tax Assistance	21.009	\$ 10,101
Rural Housing Preservation Grant	10.433	\$ 78,752
Tenant Based Rental Assistance	14.239	\$ 315,997

C. Performance

CVCAA's records should be audited through December 31, 2020.

The Offeror is required to prepare audit reports in accordance with *Government Auditing Standards, 2 CFR Part 200 Uniform Administrative Requirements, and Uniform Grant Management Standards*.

The Offeror is required to complete and electronically submit Form SF-SAC and the Single Audit reporting package in accordance with the requirements set forth by the Federal Audit Clearinghouse. The Offeror is also required to prepare CVCAA's federal information returns, Form 990 and Form 990-T, for the year ended December 31, 2020.

D. Delivery Schedule

The Offeror should conduct their audit between May and August 2021. A draft audit report should be delivered to the organization's chief financial officer by August 31, 2021. Following review and comments, 20 final audit reports should be delivered to the chief financial officer no later than September 15, 2021.

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 that do not conform to all of the provisions of this contract, CVCAA 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. Pricing

The Offeror's proposed price for services should include a not-to-exceed total fee and a fee per service (audit services and tax services as requested in this RFP). Any out-of-pocket expenses should also be indicated. The maximum price for five years should be included and broken down by year.

F. Payment

Payment will be made when CVCAA has determined that the total work effort has been satisfactorily completed. Should CVCAA reject a report, CVCAA'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 90 days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that CVCAA can determine satisfactory progress is being made.

Upon delivery of the 20 copies of the final reports to CVCAA and their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

G. Audit Review

All audit reports prepared under this contract will be reviewed by CVCAA and its funding sources to ensure compliance with the General Accounting Office's (GAO) *Government Auditing Standards* and other appropriate audit guides.

H. Exit Conference

An exit conference with CVCAA's representatives and the Offeror's representatives will be held at the conclusion of the field work. Observations and recommendations must be summarized in writing and discussed with CVCAA. It should include internal control and program compliance observations and recommendations. The Offeror should present the final audit to the Board of Directors at the October 2021 board meeting.

I. Workpapers

1. Upon request, the Offeror will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The workpapers must be retained for at least three years from the end of the audit period.

3. The workpapers must be made available for review by authorized representatives of the cognizant federal or state audit agency, the GAO, and CVCAA.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to CVCAA, 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 the information on a "need to know" basis.

The Offeror agrees to immediately notify, in writing, CVCAA's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

K. AICPA Professional Standards

The AICPA Professional Standards state:

Ethics Interpretation 501-3 – Failure to follow standards and/or procedures or other requirements in governmental audits.

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 generally accepted auditing standards. If a member has accepted such an engagement, and undertakes an obligation to follow specified government auditing standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards, he is obligated to follow such requirements.

Failure to do so is an act discreditable to the profession in violation of Rule 501, unless the member discloses in his report the fact that such requirements were not followed and the reasons therefor.

III TECHNICAL QUALIFICATIONS

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

A. Understanding Our Needs

The Offeror should describe the current challenges and opportunities specific to our organization. Describe how your firm is best suited to assist our organization in facing those challenges and opportunities moving forward.

B. Understanding the Scope of Work

The Offeror should clearly describe the scope of work to be performed in alignment with this RFP.

C. Understanding Our Industry

The Offeror should describe its understanding of our industry by providing specific industry knowledge and expertise as well as prior auditing experience.

1. Prior experience working with nonprofit organizations
2. Prior experience auditing grant funded organizations
3. Prior experience auditing community action agencies
4. Prior experience providing additional services to community action agencies
5. Prior experience auditing similar programs operated by CVCAA

D. Engagement Team

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

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members. Audit team bios should include education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance.

E. Organization, Size, and Structure

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

1. Size of the Offeror, including number of employees.
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Results of Peer Review.
5. Explanation if the Offeror is a small business, minority business, women's business enterprise, or labor surplus firm.

F. Audit Approach to the Engagement

The Offeror should describe its approach of the work to be performed.

G. Certifications

The Offeror must sign and include, as an attachment to its proposal, the Certifications enclosed with this RFP. The publications listed in the Certifications will not be provided to potential Offerors by CVCAA, because CVCAA desires to contract only with an Offeror who is already familiar with these publications.

IV PROPOSAL EVALUATION

A. Submission of Proposals

All proposals shall include a copy of the Offeror's technical qualifications, a copy of the pricing information, and a copy of the signed Certifications. These documents will become part of the contract.

B. Nonresponsive Proposals

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

1. The proposal is not received in a timely manner 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 judgment by the reviewers that the proposed undertaking would comply with the *Government Auditing Standards* of the U.S. Comptroller General.

C. Proposal Evaluation

Evaluation of each proposal will be scored on the following six factors:

1. Understanding Our Needs - Point Range 0 - 10
 - a. Understanding our current challenges and opportunities
 - b. Firms approach to addressing our challenges
2. Understanding Our Industry – Point Range 0 - 30
 - a. Prior experience working with nonprofit organizations
 - b. Prior experience auditing grant funded organizations
 - c. Prior experience auditing community action agencies
 - d. Prior experience providing additional services to community action agencies
 - e. Prior experience auditing similar programs operated by CVCAA

3. Engagement Team – Point Range 0 – 20
 - a. Audit team makeup
 - b. Overall supervision to be exercised
 - c. Prior experience of the individual audit team members
4. Organization, Size, and Structure of Offeror's Firm – Point Range 0 - 5
 - a. Adequate size of the firm
 - b. Small business/minority business/women's business enterprise/labor surplus firm
5. Audit approach to the engagement – Point Range 0 - 15
 - a. Adequate coverage
 - b. Realistic engagement timetable
6. Price – Point Range 0 – 20

Maximum Points 100

D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, CVCAA has conducted this procurement in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.

CVCAA may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, CVCAA 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, that the Offeror can propose.

CVCAA contemplates award of the contract to the responsible Offeror with the highest total points.

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 in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
- D. The individual signing certifies that the prices quoted in 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 Auditing Standards*.
- H. The individual signing certifies that he/she is aware of and will comply with the GAO's continuing education requirement of 80 hours of continuing education every two years and that 24 hours of the 80 hours of education will be in subjects directly related to the government environment and to government auditing for individuals.
- I. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
- J. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - 1. *Government Auditing Standards* (Yellow Book)
 - 2. *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance")
 - 3. *Audits of Not-for-Profit Entities* (AICPA Audit Guide)
 - 4. *Audits of State and Local Governments* (AICPA Audit Guide)

5. *State of Texas Uniform Grant Management Standards*

- 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 programs/grants/contracts to be audited.

- L. The individual signing certifies that the Offeror and any individuals to be assigned to the audit do not have a record of substandard audit work and have 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 audit has been found in violation of any state or AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 2021

(Offeror's Firm Name)

(Signature of Offeror's Representative)

(Printed Name and Title of Individual Signing)