

**COMMUNITY ACTION COMMISSION,
doing business as Tri County Community Action**

Request for Proposal

Audit Services

For the period July 1, 2018 to June 30, 2019

Inquiries and proposals should be directed to:

Executive Director
Community Action Commission
1514 Derry Street
Harrisburg, PA 17104
(717) 232-9757

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General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending June 30, 2019. The proposal includes options for two additional 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 5:00 p.m. on March 29, 2019.
2. Inquiries: Inquires concerning this RFP should be directed to Jennifer Wintermyer at jwintermyer@cactricounty.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 either Community Action Commission.
4. Instructions to prospective Contractors:

Your proposal should be addressed as follows:

Executive Director
Community Action Commission
1514 Derry Street
Harrisburg, PA 17104

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
5:00 p.m. March 29, 2019
Sealed Proposal
For Audit Services

5. Electronic Submissions: Proposals can be submitted electronically to lhassinger@cactricounty.org by the closing submission date noted above.

It is the responsibility of the Offeror to ensure that the proposal is received by the date and time specified above.

Late proposals will not be considered.

6. Right to Reject: Community Action Commission 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 Community Action Commission 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).
8. Notification of Award:
 - a. It is expected that a decision selecting the successful audit firm will be made within 4 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 Request for Proposal will be informed, in writing, of the name of the successful audit firm.
 - c. It is expected that the contract shall be a one-tier price contract with options for two additional one-year periods.

D. Description of Entities to be Audited

Community Action Commission and its subsidiary organization Keystone Community Development Corporation are both located at 1514 Derry Street, Harrisburg, PA 17104.

1. **Community Action Commission** (a Pennsylvania not-for-profit corporation doing business as Tri County Community Action) and has been determined to be exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The mission of CAC is to build on the strengths and resources available, provide solutions for complex issues, and empower individuals, families, and communities to move out of poverty. With efforts focused on activities and services that result in family and community self-sufficiency, Community Action Commission provides:
 - Neighborhood revitalization, including economic development
 - Intensive, long-term family and case management support
 - Parent and child skill development programs
 - Parent education and life skill training
 - Youth development and life skill training
 - Credit repair and budget counseling
 - Pre and post home ownership counseling services

Effective March 1, 1992 CAC established **Keystone Community Development Corporation, Inc.** (a Pennsylvania not-for-profit corporation) and has been determined to be tax exempt from Federal income tax under Section 501(c)(2) of the Internal Revenue Code. KCDC is a subsidiary of CAC through common management and control through CAC's Executive Committee and its Executive Director comprising the Corporation's Board of Directors

The primary sources of revenue of CAC are from social service grants and contracts, program fees and contributions. The primary source of revenue for KCDC is rental income received from its properties.

Community Action Commission's 2018/2019 annual budget is \$2.5 million and the following is a list of major grants, contracts and programs fees for the 2018/2019 Fiscal Year:

- a. Community Service Block Grant (CSBG)
- b. County Contracts
- c. Foundation Grants
- d. Neighborhood Assistance Tax Credit Program (NAP)
- e. Fee for Service Contracts

E. Options

At the discretion of Community Action Commission this audit contract can be extended for up to two (2) additional one-year periods. The cost for the option periods will be agreed upon by Community Action Commission and the Offeror. It is anticipated that the cost for the optional years will be based upon the same approximate costs per thousand dollars of audited expenditures as the contract for the initial year.

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 Community Action Commission, and its subsidiary organization Keystone Community Development Corporation.

B. Description of Services for Community Action Commission

1. Audit of the Commission’s and its subsidiary consolidated financial statements performed in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
2. Preparation of the supplementary schedules and reporting required by *Governmental Auditing Standards* and *Uniform Guidance* and consolidating schedules of financial position, activities, and functional expenditures.
3. Schedule of expenditures of federal awards and preparation of the Data Collection Form filed with the Federal Audit Clearinghouse.
4. Preparation of the Internal Revenue Service Form 990 and the Pennsylvania BCO-10 for both entities, as appropriate.

C. Performance

The records of Community Action Commission and Keystone Community Development Corporation should be audited through June 30, 2019.

The Offeror is required to prepare audits reports in accordance with the *Government Audit Standards*, and (include any pertinent requirements that the Offeror must comply with, such as specific audit guides or state funding source requirements).

D. Delivery Schedule

Fieldwork for should be scheduled and completed by August 31, 2019.

Offeror is to transmit one copy of the draft audit for Community Action Commission to Jennifer Wintermyer, Executive Director. The draft audit is due on September 30, 2019.

The Offeror shall deliver and review draft audit reports with CAC's Board of Directors Finance Committee in October 2019, and present the approved draft to the full Board of Directors of CAC and KCDC no later than October 31, 2019.

The Offeror shall deliver (15) final hardcopies and one (1) electronic copy of the audit reports to Community Action Commission no later than November 30, 2019.

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

E. Price

The Offeror should provide price quotes for years ending June 30, 2019, June 30, 2020, and June 30, 2021 for all services required by this Request for Proposal.

F. Payment

Payment will be made when Community Action Commission has determined that the total work effort has been satisfactorily completed. Should Community Action Commission reject a report Community Action Commission'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 terms of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

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

Upon delivery of all the stated required by the contract 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 Community Action Commission and its funding sources to ensure compliance with General Accounting Office's (GAO) *Government Audit Standards* and other appropriate audit guides.

H. Exit Conference

Exit conferences with Community Action Commission 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 Community Action Commission. It should include internal control and program compliance observations and recommendations.

I. Workpapers

1. Upon request, the Offeror will provide a copy of the workpapers pertaining to any questions 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 will be retained for least three years from the end of the audit period.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and Community Action Commission.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Community Action Commission, 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 other to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to these employees on the Offeror's staff who must have information on a "need-to-know" basis.

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

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. Experiences should include the following categories:

1. Prior experience auditing Community Action Agencies.
2. Prior experience auditing the Community Services Block Grant (CSBG).
3. Prior experience auditing nonprofit organizations.
4. Prior experience auditing other services to nonprofits

B. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate if appropriate, if the firm is small or minority-owned business. Offeror should include a copy of the most recent Peer Review, if the Offeror has had a Peer Review.

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.

Community Action Commission will contact prior audited organization to verify the experience provided by the Offeror.

D. Understanding of Work to be Performed

The Offeror should describe its understanding 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 this RFP. The publications listed in the certifications will not be provided to potential Offerors by Community Action Commission, because Community Action Commission desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals

All proposals shall include two copies of the Offeror's technical qualifications, two copies of the pricing information, and two copies 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 timely in accordance with the terms of this RFP.
2. The proposal does not follow the specific format.
3. The proposal does not include the Certifications.
4. The proposal is not adequate to form a judgment by the reviewers that proposed undertaking would comply with the *Government Audit Standards* of the U.S. Comptroller General.

C. Review Process

Community Action Commission may, at its discretion, request presentations by or meeting with any or all Offerors, to clarify or negotiate modifications to the Offeror's proposals.

However, Community Action Commission 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.

Certifications

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract in behalf of the Offeror.
2. 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.
3. The individual signing certifies that the price in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
4. 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.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant.
7. The individual signing certifies that the Offeror meets the independence standards of the *Government Auditing Standards*.
8. The individual signing certifies that he/she is aware of and will comply with the GOA Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the hours of education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that he/she is aware of and will comply with the GOA requirement of an external quality control (peer) review at least once every three years.
10. 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.
11. The individual signing certifies that the Offeror, and any individuals to be assigned to the audits, does not have a record of substandard audit work and 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)