



## **Community Action Program, Inc. of Western Indiana**

### **Uniform Guidance Request for Proposal for Audit Services**

**For the period**

**January 1, 2019 – December 31, 2019**

Proposals should be directed to:

Name: Amanda Coffing

Title: Associate Director for Finance and  
Community Services

Entity: Community Action Program, Inc. of Western Indiana

Address: 418 Washington Street  
P. O. Box 188  
Covington, IN 47932-0188

Phone: (765) 793-4881

Fax: (765) 793-4884

Email: [acoffing@capwi.org](mailto:acoffing@capwi.org)

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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 2019. The proposal includes options for four 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 4:30 p.m. on January 17, 2020.
2. Inquiries: Inquiries concerning this RFP should be directed to Tom Fulwider, [tfuwider@capwi.org](mailto:tfuwider@capwi.org), or 765-793-4881.
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 Community Action Program, Inc. of Western Indiana.
4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Amanda Coffing  
Title: Associate Director for Finance and Community Services  
Entity: Community Action Program, Inc. of Western Indiana  
Address: 418 Washington Street, PO Box 188  
Covington, IN 47932

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  
3:30 p.m. EST January 17, 2020  
For Audit Services

5. Electronic or Hard Copy Submissions: Proposals can be submitted electronically to the following email address: [acoffing@capwi.org](mailto:acoffing@capwi.org) by the closing submission date noted above.

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to ensure that the proposal is received by Community Action Program, Inc. of Western Indiana by the date and time specified above.

Late proposals will not be considered.

6. Right to Reject: Community Action Program, Inc. of Western Indiana reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based on the factors described in this RFP.
7. Small and/or Minority-Owned Businesses: Efforts will be made by Community Action Program, Inc. of Western Indiana 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. Presentations: At the discretion of Community Action Program, Inc. of Western Indiana, Offerors submitting proposals may be requested to make oral presentations as part of the evaluation process. Presentations may be delivered in person or via teleconference. Reasonable advance notice will be provided to selected Offerors. Not all Offerors submitting a proposal will be asked to participate in oral presentations.
9. Notification of Award:
  - a. It is expected that a decision about selection of the successful audit firm will be made within two 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.

#### **D. Description of Entity and Records to Be Audited**

Community Action Program, Inc. of Western Indiana is a nonprofit organization that serves six (6) counties in Indiana. Community Action Program, Inc. of Western Indiana 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 an 18-member volunteer board of directors. Administrative offices and all records are located at 418 Washington Street, Covington, Indiana Other offices are located throughout the west central area.

Community Action Program, Inc. of Western Indiana has two bank accounts. The account records are fully automated, using Abila Fund Accounting System. Payroll is outsourced to PayChex. In 2018, Community Action Program, Inc. of Western Indiana processed approximately 3,900 checks and \$3,700,000 of functional expenses. All programs are maintained on a fund basis requiring consolidation for audit procedures.

The employee benefit plan has approximately 150 participants.

The records to be audited are available for review by the Offeror prior to proposal submission upon request.

### **E. Options**

At the discretion of Community Action Program, Inc. of Western Indiana, this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed on by Community Action Program, Inc. of Western Indiana and the Offeror. It is anticipated that the cost for the optional years will be based on the same approximate cost 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 Program, Inc. of Western Indiana.

### **B. Description of Programs/Contracts/Grants**

**See page 12**

### **C. Performance**

Community Action Program, Inc. of Western Indiana's records should be audited through December 31, 2019.

The Offeror is required to prepare audit reports in accordance with Government Auditing Standards and Indiana State funding source requirements.

### **D. Delivery Schedule**

The Offeror is to transmit one copy of the draft audit report to Community Action Program, Inc. of Western Indiana's Executive Director. The draft audit report is due on August 3, 2020

The Offeror shall deliver 20 final audit reports to Community Action Program, Inc. of Western Indiana's Board of Directors no later than August 12, 2020.

Reports may be submitted earlier than the schedule above. 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, Community Action Program, Inc. of Western Indiana 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. 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.

## **F. Payment**

Payment will be made when Community Action Program, Inc. of Western Indiana has determined that the total work effort has been satisfactorily completed. Should Community Action Program, Inc. of Western Indiana reject a report, Community Action Program, Inc. of Western Indiana'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 Community Action Program, Inc. of Western Indiana can determine satisfactory progress is being made.

Upon delivery of the 20 copies of the final reports to Community Action Program, Inc. of Western Indiana 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 Community Action Program, Inc. of Western Indiana 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 Community Action Program, Inc. of Western Indiana's representatives and the Offeror's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with Community Action Program, Inc. of Western Indiana. 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 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 will be retained for at 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 GAO, and Community Action Program, Inc. of Western Indiana.

#### **J. Confidentiality**

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Community Action Program, Inc. of Western Indiana, 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, Community Action Program, Inc. of Western Indiana'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 auditing 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.

## *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 Community Action Programs
2. Prior experience auditing similar programs operated by Community Action Program, Inc. of Western Indiana
3. Prior experience auditing nonprofit organizations

### **B. Value-Added Services Beyond the Audit**

The Offeror should include an explanation of other services that can and have been provided to organizations similar to Community Action Program, Inc. of Western Indiana. Value-added services provide efficiencies and improved compliance that contribute to the continued success of Community Action Program, Inc. of Western Indiana. Value-added services can include consulting and training services as well as industry-specific products.

### **C. 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.

### **D. 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. Include résumés of only the staff to be assigned to the audits. Include education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance.

### **E. Audit Approach to the Engagement**

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

### **F. 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 Program, Inc. of Western Indiana because Community Action Program, Inc. of Western Indiana desires to contract only with an Offeror who is already familiar with these publications.

## **COMMUNITY ACTION PROGRAM, INC. OF WESTERN INDIANA DESCRIPTION OF MAJOR AWARDS**

US Department of Agriculture

Indiana State Department of Health

Special Supplemental Nutrition Program - WIC

Child and Adult Care Food Program – Head Start

US Department of Housing and Urban Development

Indiana Housing and Community Development Authority

Community Development Block Grant

Indiana Housing and Community Development Authority

HOME Investment Partnerships Programs

Section 8 Housing Choice Vouchers

US Department of Energy

Indiana Housing and Community Development Authority

Weatherization Assistance for Low-Income Persons

US Department of Health and Human Services

Indiana Housing and Community Development Authority

Low-Income Home Energy Assistance

Community Services Block Grant

Direct Funded

Head Start

Early Head Start

Emergency Food and Shelter National Board Program

## *Proposal Evaluation*

### **A. Submission of Proposals**

If submitted by hard copy, all proposals shall include 3 copies of the Offeror's technical qualifications, 3 copies of the pricing information (in a separate, sealed envelope), and 3 copies of the signed Certifications. These documents will become part of the contract.

Electronic copies shall include one copy of above.

### **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. In compliance with 2 CFR Part 200.319 – Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states, "The non-Federal entity must conduct procurements 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."

1. Prior audit experience	Point Range
a. Prior experience auditing Community Action Programs	0 – 15
b. Prior experience auditing similar programs funded by Community Action Program, Inc. of Western Indiana	0 – 10
c. Prior experience auditing nonprofit organizations	0 – 5
Community Action Program, Inc. of Western Indiana will contact prior audited organizations to verify the experience provided by the Offeror.	
2. Value-Added Services Beyond the Audit	0 – 5

3. Organization, size, and structure of Offeror's firm (consider size in relation to audits to be performed)

- a. Adequate size of the firm 0 – 2
- b. Proper independence 0 – 2
- c. No conflicts of interest 0 – 2
- d. Results of peer review 0 – 2
- e. Minority-owned/small business/women's business enterprise 0 – 2

4. Qualifications of staff to be assigned to the audits to be performed. This will be determined from résumés submitted. Include education, position in firm, and years and types of experience.

- a. Prior experience of the individual audit team members 0 – 15
- b. Overall supervision to be exercised 0 – 5

5. Offeror's audit approach to the engagement

- a. Adequate coverage 0 – 10
- b. Realistic time estimates of each audit step 0 – 5

6. Price 0 – 20

Maximum Points 100

#### **D. Review Process**

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, Community Action Program, Inc. of Western Indiana 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.

The Community Action Program, Inc. of Western Indiana may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, Community Action Program, Inc. of Western Indiana 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.

Community Action Program, Inc. of Western Indiana contemplates award of the contract to the responsible Offeror with the highest total points.

## *Certifications*

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract on 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 prices 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 or a public accountant licensed on or before (date of licensing).
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 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.
9. 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.
10. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
  - a. Government Auditing Standards (Yellow Book)
  - b. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance")
  - c. Audits of Not-for-Profit Entities (AICPA Audit Guide)
  - d. Audits of State and Local Governments (AICPA Audit Guide)
  - e. 10 CFR Part 600, DOE administrative requirements
  - f. 10 CRF Part 400, DOE weatherization program requirements

- g. Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Services.
- h. Issues by the Indiana State Board of Accounts.
- i. Indiana Department of Human Services Policy and Procedures Manual.
- j. Indiana Housing and Community Development (IHCDA) Contract Audit Guide

11. 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.

12. The individual signing certifies that the Offeror, and any individuals to be assigned to the audit, does not have a record of substandard audit 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)