



Tri County Community Action Agency, Inc.

Request for Proposal

For Audit Services

For the period

July 1, 2019 to June 30, 2020

Inquiries and proposals should be directed to:

Name: Denise Castley

Title: VP/CFO

Entity: Tri County Community Action Agency

Address: 110 Cohansey Street, Bridgeton, NJ 08302

Phone: 856-497-6668

Email: dcastley@gatewaycap.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 June 30, 2020. The proposal includes options for four additional years.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Bidder's Questions

Bidder's Questions will be accepted until March 23, 2020 at 110 Cohansey Street, Suite B, Bridgeton, NJ 08302 at 10:00 a.m.

D. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 10:00 a.m. on April 30, 2020.
2. 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 Tri County Community Action Agency.
3. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Denise Castley
Title: VP/CFO
Entity: Tri County Community Action Partnership
Address: 110 Cohansey Street
Bridgeton, NJ 08302

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
10:00 a.m. April 30, 2020
Sealed Proposal
For Audit Services

It is the responsibility of the Offeror to ensure that the proposal is received by Tri County Community Action Agency by the date and time specified above.

4. Electronic or Hard Copy Submissions: Proposals can be submitted electronically to the following e-mail address: dcastley@gatewaycap.org by April 30, 2020 before 10:00 a.m.

Proposals may also be submitted by hard copy to the following mailing address: 110 Cohansey Street, Bridgeton, NJ 08302 by the closing submission date noted above. Two copies of the proposal must be submitted.

It is the responsibility of the Offeror to ensure that the proposal is received by Tri County Community Action Partnership by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject: Tri County Community Action Partnership 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.
6. Small and/or Minority-Owned Businesses: Efforts will be made by Tri County Community Action Partnership 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).
7. Presentations: At the discretion of Tri County Community Action Partnership, 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:
 - It is expected that a decision about selection of the successful audit firm will be made within 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.

E. Description of Entity and Records to be Audited

Tri County Community Action Agency is a nonprofit organization which serves 8 counties in New Jersey and parts of Philadelphia. Tri County Community Action Agency 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 19 member volunteer Board of Directors. Administrative offices and all records are located at 110 Cohansey Street, Bridgeton, NJ 08302. Other offices are located throughout the geographic area. The records to be audited are maintained on an automated system using Financial Edge by Blackbaud. All records are stored on a hosted Server and reports generated as they are required. Our payroll is processed through Paycom. We have approximately 13 Bank Accounts (2 Major). Our primary sources of revenue are Federal and State grants.

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 Tri County Community Action Agency.

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

B. Description of Programs/Contracts/Grants

Tri County Community Action Agency has approximately 50 programs that are funded by Federal, State grant, local, and private grants, with Head Start and WIC being our two largest grants.

C. Performance

The Tri County Community Action Agency's records should be audited through June 30, 2020.

The Offeror is required to prepare audit reports in accordance with the *Government Audit Standards*, and with any and all requirements set forth by the state of New Jersey to insure compliance with the audit requirements of the State, as well as accompanying schedules of expenditures and federal and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (uniform Guidance) and State of New Jersey, Department of the Treasury, Circular 15-08-OMB, Single Audit Policy for Recipients of Federal and State Aid.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to Tri County Community Action Agency's Executive Director. The draft audit report is due on September 15, 2020.

The Offeror shall deliver (25) final audit reports to Tri County Community Action Agency's Board of Directors no later than October 22, 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 of the provisions of this contract, Tri County Community Action Agency 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, and a fee per service (audit services, tax services, etc.). Include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level. 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 Tri County Community Action Agency has determined that the total work effort has been satisfactorily completed. Should Tri County Community Action Agency reject a report, Tri County Community Action Agency'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 will be allowed to the extent that Tri County Community Action Agency can determine that satisfactory progress is being made.

Upon delivery of the (25) copies of the final reports to Tri County Community Action Agency 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 Tri County Community Action Agency and its funding sources to ensure compliance with General Accounting Office's (GAO) *Government Audit Standards* and other appropriate audit guides.

H. Exit Conference

An exit conference with Tri County Community Action Agency'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 Tri County Community Action Agency. It should include internal control and program compliance observations and recommendations.

I. Workpapers

- 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.
- The workpapers will be retained for at least three years from the end of the audit period.

- The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and Tri County Community Action Agency.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Tri County Community Action Agency, 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 the information on a "need-to-know" basis.

The Offeror agrees to immediately notify, in writing, Tri County Community Action Agency'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 audit standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards, they are 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 their 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 for Head Start Programs.
2. Prior experience auditing similar programs funded by NJ.
3. Prior experience auditing programs financed by the Federal Government.
4. Prior experience auditing similar county or local government activities.
5. Prior experience auditing nonprofit organizations.
6. Prior experience designing and/or installing accounting systems in Non-Profits.

B. Value-Added Services Beyond the Audit

The Offeror should include a description of the services that can and have been provided to organizations similar to Tri County Community Action Partnership. Value-added services provide efficiencies and improved compliance that contribute to the continued success of Tri County Community Action Partnership. 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 the following:

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 offer 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: Only include resumes of staff to be assigned to the audits. Education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance 2 CFR Part 200("Uniform Guidance").

E. Audit Approach to the Engagement

The Offeror should describe its understanding of 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 Tri County Community Action Agency, because Tri County Community Action Agency 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 (in a separately sealed envelope), 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 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 Audit Standards* of the U.S. Comptroller General.

C. Proposed Evaluation

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

1. Prior experience auditing and/or designing and installing accounting systems.	Point Range
a. Prior experience auditing Head Start Programs	0 – 10
b. Prior experience auditing similar programs funded by the state of New Jersey	0 – 5
c. Prior experience auditing similar programs funded by the Federal Government	0 – 10
d. Prior experience auditing similar county or local government activities	0 – 5
e. Prior experience auditing nonprofit organizations	0 – 5
f. Prior experience designing and/or installing accounting systems in Non-Profits	0 – 5

TRI COUNTY COMMUNITY ACTION AGENCY will contact prior audited organizations to verify the experience provided by the Offeror.

2. Value-Added Services Beyond the Audit	0 – 5
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3. Organization, size, and structure of Offeror's firm. (Considering size in relation to audits to be performed.)	
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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 resumes submitted. Education, position in firm, years and types of experience, continuing professional education, and state(s) in which licensed as a CPA, etc. will be considered.	
a. Audit team makeup	0 – 5
b. Overall supervision to be exercised	0 – 5
c. Prior experience of the individual audit team members	0 – 5
5. Offeror’s understanding of work to be performed.	
a. Adequate coverage	0 – 5
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, Tri County Community Action Agency 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.

Tri County Community Action Agency may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications of the Offerors’ proposals.

However, Tri County Community Action Agency 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.

Tri County Community Action Agency 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.
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 Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hours 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:
 - *Government Auditing Standards* (Yellow Book)
 - *A Guide for Nonprofit Organizations: Cost Principles and Procedures for Establishing Indirect Cost and Other Rates for Grants and Contract with the Department of Health and Human Services*
 - *Audits of Voluntary Health and Welfare Organizations* (AICPA Audit Guide)
 - *Audits of Certain Nonprofit Organizations* (AICPA Audit Guide)
 - *Uniform Guidance 2CFR Part 200*
 - *Circular 15-08-OMB, Single Audit Policy, NJ*
 - *10 CFR Part 600, DOE's administrative requirements*
 - *10 CFR Part 400, DOE's weatherization program requirements*

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 audits, 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)