

**West Central Community Action
1408A Hwy. 44
PO Box 709
Harlan, IA 51537**

**Request for Proposal for
Audit Services
For the Period**

October 1, 2023 to September 30, 2028

Inquires and Proposals should be directed to:

Keith Bruck, Chief Financial Officer
West Central Community Action
1408A HWY 44
P.O. Box 709
Harlan, IA 51537
(712) 755-5135 Ext 209
kbruck@westcca.org

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I. General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending September 30, 2024, completion of IRS Form 990, completion of IRS Forms 5500 and completion of the 403(b) audit of West Central Community Action's Tax Sheltered Annuity Plan. 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

Proposal must be submitted no later than 12:00 p.m. on August 9, 2024.

2. Inquiries

Inquiries concerning this RFP should be directed to the Chief Financial Officer, Keith Bruck at kbruck@westcca.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 West Central Community Action.

4. Instructions to Prospective Contractors

Your proposal should be addressed as follows:

Keith Bruck, Chief Financial Officer
West Central Community Action
1408A HWY 44
PO Box 709
Harlan, IA 51537

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
12:00 p.m., August 09, 2024
SEALED PROPOSAL
For Audit Services

Proposals can be submitted electronically to the following email address: kbruck@westcca.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 insure that the proposal is received by West Central Community Action by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject

West Central Community Action 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 West Central Community Action 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. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within 2 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.

It is expected that the contract shall be a one-year fixed price contract with options for four additional one-year periods.

D. Description of Entity and Records to be Audited

West Central Community Action is a nonprofit organization which serves 10 counties in Iowa (Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie, and Shelby). West Central Community Action 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 24-member volunteer Board of Directors.

Administrative office and all records are located at 1408A HWY 44, Harlan, IA 51537. Other offices are located throughout the area served. For additional information the Annual report, 990 and Audit are available at www.westcentralca.org. We maintain three checking accounts. All financial reports, cash receipts journals, cash disbursements, standard journal entries, general ledgers, payroll records, trial balances, and supporting documentation will be provided. Most revenues are either direct or pass through Federal funds and must be expended within the grant period. Certain funds are not government restricted and may carry balances forward to subsequent fiscal years. In addition, some funds are established to allocate joint costs between programs.

II. Specification Schedule

A. Scope of 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 West Central Community Action.

Government Audit Standards (Latest Revision), states on Chapter 2.4:

- a. Financial statement audits provide reasonable assurance about whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flow in conformity with generally accepted accounting principles.
- b. Financial related audits include determining whether (1) financial information is presented in accordance with established or stated criteria, (2) the entity has adhered to specific reporting and/or safeguarding assets in suitably

designed and implemented to achieve the control objectives.

B. Description of Program/Contracts/Grants

See Attachment A

C. Performance

West Central Community Action's records should be audited through September 30, 2024.

The Offeror is required to prepare audit reports in accordance with the *Government Audit Standard* (Latest Revision), and OMB Circulars and any other standards pertaining to nonprofit agencies.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to West Central Community Action's Executive Director and Chief Financial Officer within 120 days of the ending of the fiscal year.

An exit conference with WCCA Executive Director and Chief Financial Officer will be held at the conclusion of the field work. Observations and recommendations including internal control and program compliance findings will be summarized in writing and discussed at this time.

Offeror shall deliver 65 final audit reports printed and bound no later than January 31, 2025 to the West Central Community Action Board of Directors. Offeror shall present the final audit report at the March West Central Community Action Board of Directors meeting.

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, West Central Community Action 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. The Offeror will provide West Central Community Action a full copy of the audit in a PDF format.

WCCA will distribute final reports to all grantor agencies requiring submission of reports. Offeror will provide reports to the Federal Audit Clearinghouse as well as the Auditor of State.

E. Price

The Offeror's proposed price should be submitted separately. 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. West Central Community Action reserves the right to negotiate with any Offeror.

F. Payment

Payment will be made when West Central Community Action has determined that the total work effort has been satisfactorily completed. Should West Central Community Action reject a report; West Central Community Action's authorized representative will notify the Offeror in writing of such rejection detailing 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 West Central Community Action can determine that satisfactory progress is being made.

Upon delivery of the 65 copies of the final reports to West Central Community Action 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 West Central Community Action and its funding sources to ensure compliance with General Accounting Office's (GAO) *Government Audit Standards* and other appropriate audit guides.

H. IRS Form 990, 5500

Offeror will complete all tax returns as required (IRS Form 990 and IRS Forms 5500)

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 completion of the audit.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office and West Central Community Action.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to West Central Community Action, 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, West Central Community Action'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 he/she 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 therefore.

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 Community Action Agencies.
2. Prior experience auditing private nonprofit organizations.
3. Prior experience auditing similar programs funded by the State of Iowa.
4. Prior experience auditing programs funded by the Federal Government.
5. Prior experience auditing similar county or local government activities.

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 a 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.

Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. will be considered.

D. Understanding of Work to be Performed

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, technology used, remote vs. on site 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 West Central Community Action, because West Central Community Action 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 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 (Latest Revision).

C. Evaluation

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

Factors	Point Range
1. Prior experience auditing and/or designing and installing accounting systems.	
a. Prior experience auditing West Central Community Action	0-10
b. Prior experience auditing similar programs funded by the State of Iowa.	0-5
c. Prior experience auditing programs financed by the Federal Government.	0-5
d. Prior experience auditing Community Action Agencies	0-15
e. Prior experience auditing Non-profit organizations of similar size.	0-5
f. Value-added services beyond the Audit	0-5
West Central Community Action may contact previously audited organizations to verify the experience provided by the Offeror.	
2. Organization, size and structure of Offeror's firm. (Consider size in relation to audits to be performed.)	
a. Adequate size of the firm	0-5
3. 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	0-10
b. Overall supervision to be exercised	0-5
c. Prior experience of the individual audit team members	0-5

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|----|--|-------------|
| 4. | Offeror’s understanding of work to be performed. | |
| a. | Adequate coverage | 0-10 |
| b. | Realistic time estimates of each audit step | 0-5 |
| 5. | Price | <u>0-15</u> |

Maximum Points:	<u>100</u>
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D. Review Process

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

However, West Central Community Action 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:

- 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 independent standards of the *Government Auditing Standards*.
- H. The individual signing certifies that he/she is aware of and will comply with the GAO Continuing Education Requirements 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.
- 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: (Latest revision in all cases)
 - 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")* OMB Circular A-133, *Audits of Higher Education and Other Nonprofit Organizations*
 - 3. *Guidelines for Financial and Compliance Audits of Federally Assisted Programs*
 - 4. *Compliance Supplement for Single Audits of State and Local Governments*

5. Department of Health and Human Services' *Guidelines for Audits of Federal Awards to Nonprofit Organizations*
 6. OMB Circular 1-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations* (As revised)
 7. OMB Circular A-122, *Cost Principles for Nonprofit Organizations* (As revised)
 8. *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*
 9. OMB Circular A-102, *Uniform Administrative Requirements for Grants In-Aid to State and Local Governments* including Common Rules
 10. OMB Circular A-87, *Cost Principles for State and Local Governments*
 11. *Audits of Voluntary Health and Welfare Organizations* (AICPA Audit Guide)
 12. *Audits of Certain Nonprofit Organizations* (AICPA Audit Guide)
 13. Department of Health and Human Services *Administration of Grants, 45 CFR Part 74*
 14. Department of Energy *10 CFR Part 600, DOE's administrative requirements, and 10 CFR-Part 400, DOE's weatherization program requirements*
- 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 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 is _____ day of _____, 2024.

(Offeror's Firm Name)

Signature of Offeror's Representative)

(Printed Name and Title of Individual Signing)

Attachment A

**West Central Community Action
Request for Proposal
Audit Services
10/1/23 to 9/30/24**

II. B. Description of Program - Contracts/Grants

Program	Program Year
Head Start	Feb. 1 to Jan. 31
Early Head Start	Feb. 1 to Jan. 31
Community Service Block Grant	Oct. 1 to Sept. 30
Low-Income Home Energy Assistance Program	Oct. 1 to Sept. 30
HEAP Weatherization Assistance	Jan. 1 to Dec. 31
DOE Weatherization Assistance	April 1 to March 31
Child & Adult Care Food Program-Home Based	Oct. 1 to Sept. 30
Child & Adult Care Food Program-Center Based	Oct. 1 to Sept. 30
Child Care Resource & Referral	July 1 to June 30
I CARE	Oct. 1 to Sept. 30
Boost4Families Early Childhood Iowa	July 1 to June 30
Corner Counties Early Childhood Iowa	July 1 to June 30
H/M/S Early Childhood Iowa	July 1 to June 30
Pottawattamie County Early Childhood Iowa	July 1 to June 30
Various Utility Weatherization Programs	Jan. 1 to Dec. 31
Family Development Self Sufficiency Grant	July 1 to June 30
Project Share	Oct. 1 to Sept. 30
Black Hills Cares/Alliant	Oct. 1 to Sept. 30
Disaster Case Management	July 1 to June 30
Embrace Iowa	Dec. 1 to Sept. 30
General Relief	July 1 to June 30
WCCA Agency Funds	Oct. 1 to Sept. 30