

**JEFFERSON FRANKLIN COMMUNITY ACTION CORPORATION**

Request for Proposal

Function: Audit Services

Duration: Three years with options for two additional years as listed below

October 1, 2020, to September 30, 2021 (Consolidated Agency and Housing)

October 1, 2021, to September 30, 2022 (Consolidated Agency and Housing)

October 1, 2023, to September 30, 2024 (Consolidated Agency and Housing)

Optional

October 1, 2024, to September 30, 2025 (Consolidated Agency and Housing)

October 1, 2025, to September 30, 2026 (Consolidated Agency and Housing)

Inquiries And Proposals Should Be Directed To:

Greg Shinn, CPA CGMA  
Chief Financial Officer

Jefferson Franklin Community Action Corporation  
2 Merchant Drive, PO Box 920  
Hillsboro, MO 63050

(573) 760-9400

FAX (573) 760-0101

[greg@thurmanshinnco.com](mailto:greg@thurmanshinnco.com)

## **I. GENERAL INFORMATION**

### **A. Purpose:**

This Request for Proposal (RFP) is to contract for an consolidated financial and compliance audit for the agency and housing fiscal year ending September 30, 2021. The proposal is for a three year period with an option for two additional years. The proposal includes the preparation of tax form 990 for the agency audit and assistance with the Real Estate Assessment Center (REAC) submission for the housing audit.

JFCAC reserves the right to not engage the selected audit firm for any additional years after the first year.

### **B. Who May Respond**

Only licensed Certified Public Accountants may respond to this RFP. **Please provide proof of current license with proposal.**

### **C. Instructions on Proposal Submission**

#### **1. Closing Submission Date**

Proposals must be submitted no later than 4:00 p.m. on Thursday, June 24, 2021.

#### **2. Inquiries**

Inquiries concerning this RFP should be directed to Greg Shinn, Chief Financial Officer at Jefferson Franklin Community Action Corporation by e-mail at [greg@thurmanshinnco.com](mailto:greg@thurmanshinnco.com) or by phone at 573-760-9400.

#### **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 Jefferson Franklin Community Action Corporation.

#### **4. Instructions to Prospective Contractors**

Your proposal should be addressed as follows:

Greg Shinn, CPA  
Chief Financial Officer  
Jefferson Franklin Community Action Corporation  
P.O. Box 920  
Hillsboro, MO 63050

It is important that the Offeror's proposal be submitted in an envelope clearly marked with the following information:

*Request for Proposal  
For Audit Services*

Failure to follow the above instructions may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to insure that the proposal is received by Jefferson Franklin Community Action Corporation by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject

Jefferson Franklin Community Action Corporation 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 Jefferson Franklin Community Action Corporation 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).

***Note: To receive points in this category Offeror must submit proof they are a small and/or minority-owned business in accordance with above regulation.***

7. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within 30 days 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.

The initial engagement shall be a one-year fixed price amount with an option for up to four additional one-year periods at the discretion of Jefferson Franklin Community Action Corporation.

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

Jefferson Franklin Community Action Corporation is a non-profit organization which serves Jefferson and Franklin counties in Missouri 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 15-member volunteer Board of Directors. Administrative offices and most records are located at #2 Merchant Drive, Hillsboro, Missouri. Other offices are located throughout the two-county area.

JFCAC operates local, state and federal grant programs. Those grants include but are not limited to: CSBG grants, ECIP grants, Weatherization grants, Head Start grants, and HUD grants. JFCAC has received stimulus (CARES) funding from several agencies.

JFCAC utilizes a computer based accounting system. The accounting software used is Sage (MIP) Fund Accounting. Payroll is administered through Paycom. The Housing Choice Voucher Program uses Lindsey Software for tenant and applicant processing. JFCAC is the sole shareholder of Partners Realizing Opportunity, Inc., a C Corporation. We have one main bank account for all agency deposits and transfers are made to other accounts as needed when bills are paid, payroll is issued, or housing checks are issued. JFCAC processes approximately 2,000 accounts payable checks per year and 8,000 housing checks per year. The majority of these are paid by electronic funds transfers (EFT's) in conjunction with our bank.

## **II. AUDIT SCHEDULE**

### **A. Scope of a Financial and Compliance Audit**

The audit is conducted under generally accepted governmental auditing standards and is subject to uniform guidance.

### **B. Performance**

An audit of the consolidated financial statements of JFCAC.

All required funding schedules will be included in the supplemental schedule section of the audit report.

In addition to the annual audit, the auditing firm will prepare the IRS Annual Report 990 for Jefferson Franklin Community Action Corporation for the corresponding year(s) and assist in the REAC submission for the housing audit.

**C. Delivery Schedule**

Offeror is to transmit one copy of the draft audit report to Jefferson Franklin Community Action Corporation's Chief Financial Officer. The draft audit report is due no later than the third Friday in February for the first year and each of the following years.

The final agency audit reports will be remitted to Jefferson Franklin Community Action Corporation in the form of an electronic version no later than fourth Wednesday in February for the first year and the each of the following years.

The IRS Annual Report 990 is due to the Internal Revenue Service by February 15<sup>th</sup> each year. Due to the timing of the audit, an extension is allowable. However, a draft of the 990 is due no later than the first Friday in March of each year.

Under certain extenuating circumstances the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

**D. Price**

The Offeror's proposed price should be submitted separately for the agency audit and the housing audit. 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. As a footnote to the price please indicate any additional fees for the following:

Telephone consultation

Please provide an estimate of how costs will be determined in the optional years.

**E. Payment**

Progress payments will be allowed to the extent that JFCAC can determine that satisfactory progress is being made in relationship to the progress billings.

Upon delivery of the final audit report, preparation of the 990, certifying of the REAC submission and Federal Audit Clearinghouse submission, 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 Jefferson Franklin Community Action Corporation.

## **H. Exit Conference**

An exit conference with Jefferson Franklin Community Action Corporation'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 JFCAC. It should include internal control and program compliance observations and recommendations.

Offeror agrees to present the Agency and Housing Audit at the Board of Directors Meeting on the 4<sup>th</sup> Wednesday of January for the first year and each of the following years.

## **I. Work Papers**

1. Upon request, the Offeror will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The work papers will be retained for at least three years from the end of the audit period.
3. The work papers will be available for examination by authorized representatives to cognizant federal or state audit agency, the General Accounting Office, successive auditors, and Jefferson Franklin Community Action Corporation.

## **J. Confidentiality**

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to Jefferson Franklin Community Action Corporation, 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, JFCAC's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

### **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 person, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing community action agencies.
2. Prior experience auditing programs financed by the Federal Government (Section 8 Housing Choice Voucher Program and Head Start/Early Head Start).
3. Prior experience auditing similar programs funded by the state of Missouri.
4. Prior experience auditing similar county or local government activities.
5. Prior experience auditing nonprofit organizations.

#### **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 quality/peer review, including any related letters of comment, 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, and other pertinent information.

**IV. PROPOSAL EVALUATION**

**A. Submission of Proposals**

All proposals shall include the Offeror’s technical qualifications, pricing information, and signed Certifications (pages 15, 17, 18 and 19). 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 US Comptroller General.

**C. Proposal Evaluation-Scoring**

<b><u>Factors</u></b>	<b><u>Point Range</u></b>
1. <i>Prior auditing experience.</i> (25 points)	
a. Prior experience auditing community action agencies.	0 – 5
b. Prior experience auditing programs financed by the Federal Government.	0 – 5
c. Prior experience auditing similar programs funded By the State of Missouri.	0 – 5
d. Prior experience auditing similar county or local Government activities.	0 – 5
e. Prior experience auditing non-profit organizations.	0 – 5

2. *Organization, size, and structure of Offeror's firm*  
(Considering size in relation to audits to be performed.) (10 points)
  - a. Adequate size of the firm 0 - 5
  - b. Minority/small business 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. (25 points)*
  - a. Audit team makeup 0 - 10
  - b. Overall supervision to be exercised 0 - 5
  - c. Prior experience of the individual audit team members 0 - 10
4. *Offeror's understanding of work to be performed. (15 points)*
  - a. Adequate Coverage 0 - 10
  - b. Realistic time estimates of each audit step 0 - 5
5. Price (25 points) 0 - 25

MAXIMUM POINTS: 100

**D. Review Process**

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

However, Jefferson Franklin Community Action Corporation 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.

Jefferson Franklin Community Action Corporation contemplates award of the contract to the responsible Offeror with the highest total points. This may or may not be the bid with the lowest price.