



COMMUNITY ACTION AGENCY
REQUEST FOR PROPOSAL
FOR AUDIT SERVICES
FOR THE PERIOD
OCTOBER 1, 2020 TO SEPTEMBER 30, 2021

PROPOSALS AND INQUIRIES SHOULD BE DIRECTED TO:

MR. ANTHONY J. SAMON, CPA
CHIEF FINANCIAL OFFICER
COMMUNITY ACTION AGENCY
1214 GREENWOOD AVE.
JACKSON, MI 49203-3037
(517) 784-4800
tsamon@caajlh.org

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, 2021. The proposal includes options for two additional years.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Bidder's Questions

Bidder's questions may be submitted by email to Anthony Samon at tsamon@caajlh.org by August 25, 2021. Questions with related responses will be emailed to all prospective bidders.

D. Description of Entity and Records to be Audited

Community Action Agency is a private, not for profit corporation which serves 3 counties (Jackson, Lenawee and Hillsdale) in Michigan 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 18-member tripartite volunteer Board of Directors. Administrative offices and all financial records are located at 1214 Greenwood Avenue. Other offices are located throughout the tri-county area.

Community Action Agency uses a computerized accounting system that includes a statement of financial position and statement of activities for each of the Agency's approximately 60 programs. The programs are maintained on a program period basis and converted using a trial balance generator to the Agency's fiscal year for audit purposes. Community Action Agency has two main bank accounts which are comprised of two impressed checking accounts, General Pooled and Payroll. There are several programmatic checking accounts as well. The programs to be audited are funded by various federal, state, and local grant awards. Federal funds represented

64% of support and revenue for the year ended September 30, 2020 and included major programs as follows: Head Start, Early Head Start, Special supplemental food program for Women, Infants and Children, VA Supportive Services for Veteran Families, Housing Advocacy and Support programs, and Community Service Block Grant. Other programs include an unrestricted corporate account, cost allocation funds for property and equipment maintenance, copier/postage and an Agency indirect cost allocation fund.

E. Options

At the discretion of Community Action Agency, this audit contract can be extended for two additional one-year periods. The cost for the option periods will be agreed upon by Community Action Agency and the Offeror.

II. 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, licensed by the State of Michigan, hereinafter referred to as the "Offeror" to perform a financial and compliance audit of Community Action Agency for both the entity's financial statements and 403B retirement plan.

B. List of Agency Programs/Grants

See Exhibit "A"

C. Performance

The Community Action Agency's records would be audited through September 30, 2021.

The Offeror is to perform audit services in accordance with OMB Circular 2 CFR Part 200.500 – 521 and the appropriate Compliance Supplements.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to Community Action Agency's Chief Financial Officer. The draft audit report is due on or before February 7, 2022.

Offeror shall deliver and present 30 final audit reports to Community Action Agency's Board of Directors no later than February 24, 2022.

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, 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 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.

F. Payment

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

Upon delivery of the 30 copies of the final reports to 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 Community Action Agency and its funding sources to ensure compliance with *Generally Accepted Government Auditing Standards* and other appropriate audit guides.

H. Exit Conference

An exit conference with 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 Community Action Agency, including internal control and program compliance observations and recommendations.

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 of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing not for profit organizations.
2. Prior experience auditing programs funded by the State of Michigan.
3. Prior experience auditing programs funded by the Federal Government.

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.

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.

Proposals will be evaluated base on the above qualifications and using the matrix (exhibit B) and involving various staff of CAA.

IV. INSTRUCTIONS ON PROPOSAL SUBMISSION

A. Closing Submission Date

Proposals must be submitted no later than 4:30 p.m. on September 2, 2021.

B. Inquiries

Inquiries concerning this RFP should be directed to Mr. Anthony J. Samon, CFO @ (517) 784-4800 or emailed to tsamon@caajlh.org.

C. 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 Agency.

D. Instructions to Prospective Contractors

Your proposal should be addressed as follows:

Name: Mr. Anthony J. Samon, CPA
Title: Chief Financial Officer
Entity: Community Action Agency
Address: 1214 Greenwood Avenue
Jackson, MI 49203-3037

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

Late proposals will not be considered.

E. Right to Reject

Community Action Agency 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.

F. Small and/or Minority-Owned Businesses

Efforts will be made by Community Action Agency to utilize small businesses, minority-owned firms, women's business enterprises and labor surplus area firms, whenever possible.

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), by having average annual receipts for the last three fiscal years of less than six million dollars.

G. Notification of Award

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

It is expected that a decision selecting the successful audit firm will be made within one (1) week 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.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony J. Samon", with a long horizontal flourish extending to the right.

Anthony J. Samon, CPA
Chief Financial Officer

Community Action Agency
Chart Of Accounts List

Code	Account Title	Code	Account Title
110	Payroll	664	ESG - Hillsdale
120	Corporate	667	MSHDA CERA Jackson
130	Copy/Postage Cost Alloc	668	MSHDA CERA Hillsdale
140	Facility Costs Allocation	669	MSHDA CERA Lenawee
145	Property & Equipment	670	Garfield Square Development
190	Business Service Costs	672	MSHDA-Eviction Diversion Prog
210	Head Start - PA 22	674	MSHDA-ESG-CV
212	Warm the Children	678	Supportive Housing-Andy's Plac
214	Head Start - CARES	679	MSHS DIGITAL DIVIDE CRF
220	Early Headstart	680	Home Links/Housing
260	Great Start Readiness Prog-Hil	682	Family Self Sufficiency
263	Great Start Readiness Prog-Jac	683	Housing Education Program
310	CSBG	685	Community Development Fund
312	CSBG	687	Coordinated Entry Grant
314	CSBG - CARES	725	CSBG-Discretionary
420	FEMA	750	WIC
611	Rapid Rehousing Program	792	DOL - Youth Build
612	COC Planning Project - Jackson	798	CDBG CV City of Jackson
614	PSH-SSO-Supportive Serv Only	800	HUD Housing Counseling
615	Mechanic PP Permanent Housing	806	JCF - Foreclosure
620	Weatherization	809	Financial Freedom
627	Lead Hazard Control Prog-Medi	814	Getting Ahead Program
631	Permanent Supp Hsg-Hillsdale	815	CASS
632	State Innovation Model	925	Partners in Transportation
634	HUD-Jackson Housing Commission	935	Migrant Services
635	HMIS	943	IDA - AFI - 3
636	HMIS-Hillsdale	944	IDA's - OLHSA
642	Support Serv for Veterans Fami	945	IDA's - Regional Coordination
647	Supportive Serv Vets Fam-CARES	950	Heat A Home
653	VA - Transition in Place	952	Unmet Needs
657	CHDO - City of Jackson	955	Hillsdale Community Foundation
660	MSHDA-Emerg Shelter Grant	956	HCCF - Grant
661	ESG - Hillsdale	966	IRS - VITA Tax Program
663	ESG - Jackson	967	Jackson United Way-VITA

**Community Action Agency
Example of Audit RFP Scoring
Exhibit B**

	Experience	Approach	Price		
Low	10	5	15		
Medium	20	12	25		
High	30	20	35		
Max	35	25	40		
Firm				Total Pts	Price
audit firm 1	30	5	25	60	
audit firm 2	30	12	25	67	
audit firm 3	20	20	40	80	
audit firm 4	10	12	35	57	