

Economic Opportunities Council of Indian River County, Inc.

REQUEST FOR PROPOSAL

for

INDEPENDENT CERTIFIED PUBLIC ACCOUNTING FIRM

RFP #11-20-2020

**ECONOMIC OPPORTUNITIES COUNCIL OF INDIAN RIVER COUNTY, INC
REQUEST FOR PROPOSAL FOR AUDIT AND TAX SERVICES.**

1. General Information

A. Purpose

The Economic Opportunities Council of Indian River County, Inc. is requesting proposals from CPA Firms with extensive experience in providing audit and tax services for not for profit organizations. This Request for Proposal (RFP) is to contract for the Agency's Financial Audit and Tax Services for the year ending September 30, 2020. The proposal will also include preparation of the Agency's Form 990, *Tax Return of Organization Exempt from Income Tax*, and the U. S. Department of Commerce *Data Collection Form SF-SAC*. The engagement will be for a three-year period. A description of our organization, the services needed, and other pertinent follows.

B. Who May Respond

Only Independent Certified Public Accounting Firms, licensed to practice in the State of Florida, as approved by the Florida Department of Professional Regulation, may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date

Proposals must be received by the Agency no later than **Friday, November 20, 2020 at 4:30 p.m.** local time.

2. Inquiries

Inquiries concerning the RFP should be directed to Christian Pelaez, Finance Director at (772) 562-4177 ,ext. 1116 or cpelaez@ecofirc.net or to Angela Davis-Green, Executive Director at (772) 562-4177 ext. 1117 or adavisgreen@ecofirc.net

3. Conditions of Proposal

All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Firm offering the proposal and will not be reimbursed by The Economic Opportunities Council of Indian River County, Inc. ("EOC").

4. Instructions to Prospective Firm's

Please submit four (4) copies of your proposal to the Executive Director. The package should be addressed as follows:

Angela Davis-Green

Executive Director

Economic Opportunities Council of Indian River County, Inc.

2455 St. Lucie Avenue

Vero Beach, FL 32960

It is important that the proposal be submitted in a **SEALED ENVELOPE** clearly marked in the lower left-hand corner with the following information:

RFP #11-20-2020

4:30 p.m.

(Date Submitted)

SEALED PROPOSAL

For Audit Services

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

It is the responsibility of the Firm to insure that the proposal is received by EOC by the date and time specified above.

Late proposals will not be considered.

1. Right to Reject

EOC reserves the right to reject, without prejudice, 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.

2. Small and/or Minority-Owned Businesses

Efforts will be made by EOC to utilize small businesses and minority / women owned businesses that are certified by a Federal or State Agency, or by a Local Government.

3. Notification of Award

Upon conclusion of final negotiations with the successful audit Firm, all other Firms submitting proposals will be informed in writing, with regard to the name of the successful audit Firm. It is expected that the contract shall be a three-year fixed price contract.

4. Description of Entity to be Audited

Economic Opportunities Council of Indian River County Inc. (“EOC”) is a Florida nonprofit public benefit corporation recognized by the Internal Revenue Service as a charitable, tax - exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code. Economic Opportunities Council of Indian River County Inc. was founded in 1965 with a defined mission “To transition at-risk individuals and families from poverty to self-sufficiency through our agency programs and public/private partnerships”. We have a finance committee comprising of two (2) members who will be responsible for recommending the CPA Firm with approval by the Board of Directors.

Our annual operating budget is approximately \$5 million per year, and we employ eighty-five (85) people in nine (9) locations. Our main programs are Head Start, Florida Child Care Food Program, Community Services Block Grant, and Low Income Home Energy Assistance Program. Our main source of revenue is from The US Department of Health and Human Services.

The Organization has a September 30th fiscal year end, with a requirement to file an audited financial statement with the funding sources and the Federal Clearing House by June 30th of each year.

EOC maintains all accounting records in-house and uses Microsoft Dynamic Accounting System for the accounting system for FY 2020 and is migrating to Blackbaud Financial Edge in subsequent years. The Accounting Department consists of two (2) staff, a Finance Director and a Financial Assistant. For more information please visit our website at www.ecofirc.net.

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5. Options

At the discretion of EOC, this audit contract can be renewed on a year-to-year basis. The cost for the optional periods will be individually evaluated and subject to funding availability.

II. Specification Schedule

A. Services to be Performed. Your proposal is expected to cover the following services:

1. Annual single audit of the financial statements and programs in accordance with GAAP generally accepted Government Auditing Standards for the year ended September 30th and meetings with the Finance Committee and/or Board of Directors as necessary.
2. Management Letter containing comments and recommendations with respect to accounting and administrative controls and efficiency.
3. Preparation of federal and state information returns for the organization.

Describe how your firm will approach the proposed services, including the use of affiliates or staff from other locations, areas that will receive primary emphasis and the type of assistance that will be required from the staff of EOC. Also, discuss the Firm's use of technology. Finally, discuss the communication process used by the Firm to discuss issues with the management and the Board.

B. Scope of a Financial and Compliance OMB Circular A133 Audit

The purpose of this RFP is to obtain the service of an Independent Certified Public Accounting Firm, licensed to practice in the State of Florida, to perform a financial and compliance audit of EOC. The Firm must be easily accessible to facilitate conferences between EOC's staff and the Firm.

C. Auditing Standards to be Followed

EOC's records should be audited for the period covering October 1, through September 30 of each year.

The selected Firm is required to prepare the audit reports in accordance with the Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of the Single Audit Act of 1984, as amended in 1996, the provisions of the U. S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations; and pronouncements of the Financial Accounting Standards Board (FASB)".

D. Fees

Please provide a firm estimate of the fees for the services to be provided. It has been EOC's practice for management to negotiate a fee for services each year prior to such services being rendered.

E. Entrance and Exit Conferences

Conferences with EOC's representatives and the selected Firm's representatives should be scheduled by the Firm before the preliminary work commences and at the conclusion of the fieldwork. The purpose of the Conferences is to keep EOC informed of the scope and progress of the audit. Observations and recommendations must be summarized in writing and discussed with EOC's representatives. It should include internal control and

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program compliance observations and recommendations, if any.

F. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the Firm shall issue, as required by generally accepted auditing standards, and Government Auditing Standards, OMB Circular A-133, the Federal Single Audit Act and the State Single Audit Act, including but not limited to the following:

A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.

A report on compliance and on internal control over financial reporting based on an audit performed in accordance with Government Auditing Standards.

A report on the Schedule of Federal Awards

A report on compliance and internal control over compliance applicable to each major federal award program.

G. Performance Delivery Schedule

The following is the anticipated timeframe for the services to be provided:

Entrance conference December 10

Receive a list of client-provided documents and requests by January 15

Begin fieldwork (approximately 6 weeks) by February 15

Financial statement draft for management review by April 2

Presentation of draft audit report and comments to the BOD by April 21

Issue final audit report (15 bound copies) by May 7

File final audit report with funding entities May 21

Provide draft information returns for management review By May 28

Provide draft information returns for Finance Committee review by June 4

File final information returns by June 15

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H. Payment

Payment will be made when EOC has determined that the total work effort has been completed as specified in this RFP. Should EOC reject a report, EOC's authorized representative will notify the selected Firm in writing of such rejection giving the reason(s). The right to reject shall extend throughout the term of this contract and for ninety (90) days after the selected Firm submits the final invoice for payment.

Performance payments may be arranged based upon documented need. Terms regarding payments will be decided upon at award of the contract. The selected Firm will be required to submit detailed original invoices to receive payment. Final payment will be made upon receipt and acceptance of the final audit reports.

Upon delivery of 20 additional copies of the final reports to EOC and their acceptance and approval, the selected Firm may submit an invoice for the balance due on the contract for audit.

I. Audit Review

All audit reports prepared under this contract will be reviewed by EOC and its funding sources to ensure compliance with General Accounting Office (GAO) Government Audit Standards and other appropriate audit guides.

J. Working Paper Retention and Access to Working Papers

1. Upon request, the selected Firm will provide a copy of the audit working papers pertaining to any questioned costs determined in the audit. The working papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. Working papers and reports must be retained, at the expense of the selected Firm for at least five years from the date the audit report is issued, unless the Firm is notified in writing by EOC of the need to extend the retention period.
3. In accordance with the requirements of Government Auditing Standard and of the Single Audit Act Amendments of 1996, the Firm is required to provide access to the working papers and photocopies thereof to authorized representatives of cognizant federal or state agencies, Comptroller General of the United States and EOC upon their requests for regulatory oversight purposes.
4. In addition the Firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

K. Confidentiality

The selected Firm agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to EOC, the selected Firm agrees not to publish, reproduce or otherwise divulge such information in whole or 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 selected Firm's possession, to those employees on the selected Firm's staff who must have the information on a "need to know" basis. The selected Firm agrees to immediately notify in writing, to EOC's authorized representative in the event the selected Firm determines or has reason to suspect a breach of this requirement.

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L. 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, 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.

M. Firm's Technical Qualifications

The Firm, in its proposal, shall, as a minimum, include the following:

N. Prior Auditing Experience

The Firm should describe its prior auditing experience including names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing similar programs funded by the State of Florida.
2. Prior experience auditing programs financed by the Federal Government.
3. Prior experience auditing private non-profit agencies.
4. Prior experience auditing similar county or local government activities.

O. Organization, Size, and Structure

The Firm 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 / women owned business. Firm should include a copy of the most recent small or minority / women owned business certification and sign and date the Minority / Women Owned Business Enterprise form in this Request for Proposal and include the form as part of your proposal.

P. Staff Qualifications

The Firm should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

On-Site supervision provided by Partner
On-Site supervision provided by Licensed CPA
Experience of the individual audit team members.

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

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Q. Client References

Include a list of the relevant not for profit clients the firm has served.

R. Understanding of Work to be Performed

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

1. On-site audit team and estimated hours required to perform the audit.
2. Layout of time estimates of each audit step.

S. Proposal Content

Please address the following criteria in your proposal:

1. Executive Summary
Describe your understanding of the work to be performed and your firm's ability to perform the work within the time frame provided.
2. Professional Experience
Describe how and why your firm is different from other firms being considered. This should include an explanation of the firm's philosophy, size, structure, and qualifications with serving not for profit organizations with a similar size and operations. Describe your firm's resources devoted to not for profit organizations and provide copies of newsletters or other resource materials addressing issues relevant to not for profit organizations. Discuss the firm's independence with respect to EOC of IRC.
3. Team Qualifications
Identify the specific partners, managers, and in-charge staff who will be assigned to this engagement if you are successful in your bid. Provide their bios specifying relevant experience to the type of services requested. Consideration will be given to the Firms with the most cumulative experience.
4. Additional Information
Please provide a copy of your most recent peer review report. Please provide any additional information, not specifically requested, but which you believe would be useful in evaluating your proposal.
5. Fee Schedule

T. Insurance

By signing and submitting a proposal under this RFP, the Firm certifies that if awarded the contract, it will have the insurance coverages listed below, at the time the work commences.

- Standard Worker's Compensation Policy

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- Comprehensive General Liability Coverage -\$1,000,000 combined single limit per occurrence, with EOC named as an additional insured.
- Automobile Liability Insurance - \$500,000 combined single limit per occurrence.
- Professional Liability/Errors and Omissions coverage; \$2,000,000 per occurrence.

During the period of the contract, EOC reserves the right to require the Firm to furnish certificates of insurance for the coverages required.

U. Certifications

The Firm must sign and include as an attachment to the proposal the Certifications enclosed with the RFP. The publications listed in the Certifications will not be provided to potential Firms by EOC, because EOC desires to contract only with a Firm who is already familiar with these publications.

V. Proposal Evaluation

Submission of Proposals

The Firm shall submit four (4) copies of the Proposal, two (2) with original signatures, accompanied by two (2) original signed certifications. The proposal should also contain the **Minority Business Enterprise Questionnaire**, found in this RFP. The signed original documents will become part of the contract when the Request for Proposal is awarded.

The proposal shall be limited to a page size of eight and one-half by eleven inches (8 1/2" by 11"). Foldout pages may be used where appropriate but should be minimized. The proposal will be indexed and all pages sequentially numbered. Binding and covers will be at the Firm's discretion.

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 the 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 (1994 Revision).

Proposal Timetable

- RFP distributed October 20, 2020
- 4 copies of written proposals due to Economic Opportunities Council of Indian River County, Inc. November 20, 2020
- CPA firm selected and notified November 27, 2020

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Key Contacts

Following are key contacts for information you may seek in preparing your proposal:

Angela Davis-Green, Executive Director 772-562-4177 email adavisgreen@eocofirc.net
Christian Pelaez, Finance Director 772-562-4177 email cpelaez@eocofirc.net

Requests for additional information, questions, and coordinating visits to our offices should be coordinated through our Finance Director, Christian Pelaez. You may reach him at the number listed above. Please return the completed proposal to my attention at the address provided.

We would also appreciate a response if you decline to submit a proposal.

Evaluation

Each proposal will be evaluated by the Audit Committee, which will review all information, determine the Firm best qualified to perform the work, and determine the order of ranking of the Firms.

While price is an important factor, EOC of IRC will evaluate proposals on price and the following criteria:

- Prior experience auditing similar organizations
- Qualifications of staff to be assigned to the engagement
- CPA firm's understanding of work to be performed
- References
- Completeness and timeliness of the proposal

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

Factors	<u>Point Range</u>
1. Prior experience auditing. (35 points)	
a. Prior experience auditing similar programs funded by the State of Florida	0-10
b. Prior experience auditing similar programs financed by the Federal Government	0-10
c. Prior experience auditing private non-profits	0-10
d. Prior experience auditing similar county or local government activities	0-5
EOC may contact prior audited organizations to verify the experience provided by the Firm.	
2. Organization of Firm (30 Points)	
a. Adequate Staffing	0-5
b. Small Business or Women / Minority Business Enterprise	0-15
c. Peer Review	0-10
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. (25 Points)	
On-Site supervision provided by Engagement Partner	0-15
Experience of the audit team members	0-10
4. Firm's understanding of work to be performed. (30 Points)	
a. On-site coverage required to perform the audit	0-5
b. Layout of time estimates of each audit step	0-10
5. Price	0-15

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B. Review Process

During the evaluation process EOC may, at its discretion, request any one or all of the firms to make onsite oral presentation to the Finance Committee of the Agency's Board of Directors. Such presentations will provide the Firms with an opportunity to answer any questions EOC may have regarding the Firm's proposal. Only, the top two or three ranked firms may be asked to make such oral presentations.

EOC 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.

EOC's award of the contract to the responsible Firm will be based on consideration of all elements used in the evaluation of the Firm.

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CERTIFICATIONS

On behalf of the Firm:

- A. The individual signing certifies that he/she is authorized to bind the proposal on behalf of the Firm.
- B. The individual signing certifies that the Firm will obtain Errors and Omissions insurance policy providing a prudent amount of coverage for willful or negligent acts or omissions of any officer, employees, or agents thereof; as well as worker's compensation, general liability and automobile insurance.
- C. The individual signing certifies that the Firm 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 Firm.
- D. 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.
- E. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Firm prior to an award to any other Firm or potential Firm.
- F. The individual signing certifies that there has been no attempt by the Firm to discourage any potential Firm from submitting a proposal.
- G. The individual signing certifies that the Firm is a properly licensed certified public accounting Firm, licensed to operate in the State of Florida prior to the commencement of the audit work.
- H. The individual signing certifies that the Firm meets the independence standards of the Government Auditing Standards (1994 Revision).
- I. 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 of education will be in subjects directly related to the government environment and to government auditing for individuals.
- J. The individual signing certifies that he/she is aware of and will comply with GAO requirement of an external quality control (peer) review at least once every three years.
- K. The individual signing certifies that he/she has read and understands the following publications related to the proposed audits:
 - 1. Government Auditing Standards (Yellow Book)
 - 2. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2CFR Part 200) which consolidates:
 - a) OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Institutions (Revised)
 - b) OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations (Revised)

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c) OMB Circular A-122, Cost Principles of Nonprofit Organizations (May 2004)

3. Audits of Voluntary Health and Welfare Organizations (AICPA Audit Guide)
4. Audits of Certain Nonprofit Organizations (AICPA Audit Guide)
5. A Guide for Nonprofit Organizations: Cost Principles and Procedures for Establishing Indirect Costs and Other Rates for Grants and Contracts with the Department of Health and Human Services.

- L. 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.
- M. The individual signing certifies that the Firm, 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 Firm 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.)
- N. The individual signing certifies that all information provided by the Firm, in connection with this proposal, is true and accurate.

Dated this _____ day of _____, 2020.

Firm's Name

Signature of Firm's Representative

Printed Name and Title of Firm's Representative

MINORITY / WOMEN BUSINESS ENTERPRISE

The FIRM represents that their company () is, () is not, a Minority / Women Business Enterprise (M/WBE). An M/WBE is a business which is at least 51% owned and controlled by one or more socially disadvantaged individuals. Socially disadvantaged individuals are persons who are citizens or lawful permanent residents of the United States and who are African Americans, Hispanic Americans, Asian Pacific Americans, Native Americans or Women.

MINORITY / WOMEN BUSINESS ENTERPRISE STATUS CATEGORY

Firm's Name

Signature of Firm's Representative

Printed Name and Title of Firm's Representative

Dated this day of , 2020.

NOTE: Please enclose this form along with the submission of your Proposal.