



*Citizens for Citizens, Inc.*

Uniform Guidance Request for Proposal for Audit Services

For the period

*October 1, 2020 to September 30, 2021*

Inquiries and proposals should be directed to:

Susan Guikema-Roach

Chief Financial Officer

Citizens for Citizens for Citizens, Inc.

264 Griffin Street, Fall River, MA 02724

508-679-0041

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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 September 30, 2021 as well as a financial audit on the 403(b) plan for the year ending December 31, 2021 (as well as any additional services that will benefit our Organization). The proposal includes options for four additional years.

### B. Who May Respond

Only licensed certified public accountants may respond to this RFP, hereinafter referred to as the "Offeror."

### C. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on June 30, 2021
2. Inquiries: Inquiries concerning this RFP should be directed to Susan Roach at [susan.roach@cfcinc.org](mailto:susan.roach@cfcinc.org). Offerors may direct questions via email or may request a phone meeting. Phone meetings will be accepted upon the discretion of Citizens for Citizens, Inc. (CFC).
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 CFC.
4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Susan Guikema-Roach  
Title: Chief Financial Officer  
Entity: Citizens for Citizens, Inc.  
Address: 264 Griffin St.  
Fall River, MA 02724

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  
4:30 p.m. on Friday, July 30, 2021  
Sealed Proposal  
For Audit Services

5. Electronic or Hard Copy Submissions: Proposals can be submitted electronically to the following email address: [dennis.medeiros@cfcinc.org](mailto:dennis.medeiros@cfcinc.org) by the closing submission date noted above.

Proposals may also be submitted by hard copy to the above mailing address by the closing submission date noted. If submitting by hard copy six copies of the proposal should be submitted.

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

Late proposals will not be considered.

6. Right to Reject: CFC 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.
7. Small and/or Minority-Owned Businesses: Efforts will be made by CFC 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).
8. Notification of Award:
  - a. It is expected that a decision about selection of the successful audit firm will be made within three weeks of the closing date for the receipt of proposals.
  - b. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this RFP will be informed, in writing, of the name of the successful audit firm.

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

CFC is a private, anti-poverty social services agency that serves over 42,000 low income households each year in the Greater Fall River and Greater Taunton areas. CFC has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is governed by an 18-member volunteer board of directors. Administrative offices and all records are located at 264 Griffin St., Fall River, Massachusetts. Other offices are located throughout the greater Fall River and Taunton areas.

CFC uses Abila MIP Fund Accounting software to enter all revenue and expenses and to prepare financial statements. The annual budget for 2021 is \$29,555,390 of which approximately 80% are derived from Federal direct or pass-through funds. It is subject to the various Federal and state regulations, including but not limited to, the *Uniform Guidance* and the UFR filing requirements of the Commonwealth of Massachusetts' Executive Office for Administration & Finance's Operational Services Division.

The agency has seven bank accounts: five of which have minimal activity. The main operating account of the agency has approximately 5,000 checks cashed on it per year and the dedicated fuel assistance (LIHEAP) account has approximately 2,700 checks cashed on it per year.

The agency has approximately 250 regular employees and 75 employees that are participants in the senior community service employment training program sponsored by the U.S. Department of Labor. The agency contracts with ADP to process payroll on a

bi-weekly basis using time clocks and timesheets. ADP processes and pays all payroll related tax filings.

The Tax Sheltered Annuity Plan covers all full-time employees of CFC who have 6 months of service and are age twenty-one and older. Participants are 100% vested immediately in the Agency's matching contributions. There are currently 103 active participants and net assets available for benefits are approximately \$11,900,000.

## **E. Options**

At the discretion of CFC, this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed on by CFC and the Offeror.

## **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, to perform a financial and compliance audit of CFC.

In addition to our financial and compliance audit, CFC is also requesting additional services to support our organization. These services include the preparation of the Massachusetts Uniform Financial Statements and the IRS Form 990, as well as an audit of our 403(b) plan for the year ended December 31, 2021.

### **B. Description of Programs/Contracts/Grants**

See Appendix A

### **C. Performance**

CFC's records should be audited through September 30, 2021.

The Offeror is required to prepare audit reports in accordance with Government Auditing Standards and the Commonwealth of Massachusetts Uniform Financial Report requirements.

### **D. Delivery Schedule**

The Offeror is to transmit one copy of the draft audit report to CFC's Executive Director and Chief Financial Officer. The draft audit report is due on January 31, 2022.

The Offeror shall deliver twenty final audit reports to CFC's Board of Directors no later than February 16, 2022

Reports may be submitted earlier than the schedule above. 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 that do not conform to all of the provisions of this contract, CFC 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. Pricing**

The Offeror's proposed price for services should include a not-to-exceed total fee and a fee per service (audit services, tax services, and additional services as requested in this RFP). Any out-of-pocket expenses should also be indicated.

## **F. Payment**

Payment will be made when CFC has determined that the total work effort has been satisfactorily completed. Should CFC reject a report, CFC'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 90 days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that CFC can determine satisfactory progress is being made.

Upon delivery of the twenty copies of the final reports to CFC 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 CFC and its funding sources to ensure compliance with the General Accounting Office's (GAO) Government Auditing Standards and other appropriate audit guides.

## **H. 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 end of the audit period.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the GAO, and CFC.

## **I. Confidentiality**

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

## **J. 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 auditing 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 auditing standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing 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.

## **Technical Qualifications**

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

### **A. Understanding Our Needs**

The Offeror should describe the current challenges and opportunities specific to our organization. Describe how your firm is best suited to assist our organization in facing those challenges and opportunities moving forward.

### **C. Understanding the Scope of Work**

The Offeror should clearly describe the scope of work to be performed in alignment with this RFP.

### **D. Understanding Our Industry**

The Offeror should describe its understanding of our industry by providing specific industry knowledge and expertise as well as prior auditing experience:

1. Prior experience working with nonprofit organizations
2. Prior experience auditing grant-funded organizations
3. Prior experience auditing organizations similar to CFC
4. Prior experience providing additional services to organizations similar to CFC

## **D. Engagement Team**

The Offeror should briefly 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. Audit team bios should include education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance.

## **E. Organization, Size, and Structure**

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Description should include:

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 Offeror is a small or minority-owned business or women's business enterprise.

## **F. Audit Approach to the Engagement**

The Offeror should describe its approach to the work to be performed.

## **G. 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 CFC because CFC desires to contract only with an Offeror who is already familiar with these publications.

# Proposal Evaluation

## **A. Submission of Proposals**

If submitted by hard copy, all proposals shall include 6 copies of the Offeror's technical qualifications, 6 copies of the pricing information and 1 copy of the signed Certifications. If submitting by email, only one copy of the Offeror's technical qualifications, the pricing information, and the signed Certifications is necessary. 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 in a timely manner 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 Auditing Standards of the U.S. Comptroller General.

## C. Proposal Evaluation

Evaluation of each proposal will be scored on the following six factors. In compliance with 2 CFR Part 200.319 – Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states, “The non-Federal entity must conduct procurements 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.”

	Point Range
1. Understanding Our Needs	0 - 10
a. Understanding our current challenges and opportunities	
b. Firm’s approach to addressing our challenges	
2. Understanding Our Industry	0 - 30
a. Prior experience working with nonprofit organizations	
b. Prior experience auditing grant-funded organizations	
c. Prior experience auditing organizations similar to CFC	
d. Prior experience providing additional services to organizations similar to CFC	
3. Organization, size, and structure of Offeror’s firm (consider size in relation to audits to be performed)	0 - 5
a. Adequate size of the firm	
b. Minority-owned/small business/women’s business enterprise	
4. Qualifications of staff to be assigned to the audits to be performed This will be determined from résumés submitted. Include education, position in firm, and years and types of experience.	0 - 20
a. Prior experience of the individual audit team members	
b. Overall supervision to be exercised	
5. Offeror’s audit approach to the engagement	0 - 15
a. Adequate coverage	
b. Realistic time estimates of each audit step	
6. Price	0 – 20
Maximum Points	100

## D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, CFC 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.

The CFC may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, CFC 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, that the Offeror can propose.

CFC 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 or a public accountant licensed on or before *(date of licensing)*.
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's 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.

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:
  - a. Government Auditing Standards (Yellow Book)
  - b. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance")
  - c. Audits of Not-for-Profit Entities (AICPA Audit Guide)
  - d. Audits of State and Local Governments (AICPA Audit Guide)

Note: The RFP should also list any regulations, publications, or audit guides that are relevant to specific programs to be audited. For example, if a Department of Energy weatherization program is to be audited, the Offeror should be familiar with 10 CFR Part 600, DOE's administrative requirements, and 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 RFP, 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 audit, 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)

## Appendix

### A. Description of Programs/Contracts/Grants

Program	CFDA, if applicable	Program year	Approx. award
LIHEAP	93.568	Oct – Sep	\$12,000,000
HWAP	93.568	Oct – Sep	900,000
Weatherization	81.042	Apr – Mar	700,000
Utility leveraging		Jan – Dec	2,000,000
Head Start/Early Head Start	93.600	May – Apr	8,500,000
Child Care	93.575 and 93.596	Jul – Jun	1,500,000
Child Food Program	10.558	Oct – Sep	108,000
SCSEP	17.235	Jul – Jun	900,000
FGP	94.011	Apr – Mar	300,000
RSVP	94.002	Apr – Mar	52,000
WIC	10.557	Jul – Jun	700,000
Family Planning		Jul – Jun	850,000
PREP	93.092	Jul – Jun	115,000
SNAP	10.551	Oct – Sep	40,000
VITA	21.009	Oct – Sep	12,000
CSBG	93.569	Oct – Sep	1,000,000
Various		Oct - Sep	300,000

## Appendix

### B. Sample Proposal Evaluation

Using the attached form, board/audit committee members who are part of the proposal evaluation process should score proposals individually. Evaluation of each proposal will be scored on the six factors below. In compliance with 2 CFR Part 200.319 – Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states: “The non-Federal entity must conduct procurements 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.”

Total points will be calculated from each board/audit committee member, providing a total point value for each responding Offerer. The Offerer, meeting all of the outlined criteria, that also accumulates the highest total point value will be awarded the contract.

<b>Proposal Evaluation</b>			
		<b>Point Range</b>	<b>Points Earned</b>
<b>Understanding Our Needs</b>		<b>0 - 10</b>	
	Understanding our current challenges and opportunities		
	Firm’s approach to addressing our challenges		
<b>Understanding Our Industry</b>		<b>0 - 30</b>	
	Prior experience working with nonprofit organizations		
	Prior experience auditing grant-funded organizaions		
	Prior experience auditing organizations similar to <i>(entity name)</i>		
	Prior experience providing additional services to organizations similar to <i>(entity name)</i>		
<b>Organization, size, and structure of Offeror’s firm</b>		<b>0 - 5</b>	
	Adequate size of the firm		
	Minority-owned/small business/women’s business enterprise		
<b>Qualifications of staff to be assigned to the audits to be performed</b>		<b>0 - 20</b>	
	Prior experience of the individual audit team members		
	Overall supervision to be exercised		
<b>Offeror’s audit approach to the engagement</b>		<b>0 - 15</b>	
	Adequate coverage		
	Realistic time estimates of each audit step		
<b>Price</b>		<b>0 - 20</b>	
<b>Total Points</b>		<b>0 - 100</b>	

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