



Request for Proposal

for

Audit Service

RFP Issue Date: May 11, 2023

Deadline for Submission of Questions: May 21, 2023

Q & A Responses Posted via Eastern IN Works Website
(www.easternindianaworks.org): May 25, 2023

Key Dates:

Proposal Due Date: June 12, 2023

Provider Notification: June 22, 2023

Eastern Indiana Works is an equal opportunity employer and will comply with all applicable nondiscrimination and equal opportunity provisions and laws.



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I. GENERAL INFORMATION

A. Background:

Alliance for Strategic Growth, Inc. d/b/a Eastern Indiana Works (EIW) is a 501 (c)(3) Indiana not-for-profit, tax-exempt corporation responsible for the administration and operation of employment and training services funded by state and federal resources by the Workforce Innovation and Opportunity Act and other funding streams to support the WorkOne Centers in Blackford, Delaware, Fayette, Henry, Jay, Randolph, Rush, Union, and Wayne counties in Eastern Indiana

B. Purpose:

This Request for Proposal (RFP) is to contract for a financial; programmatic and compliance audit; 990 and NP20 report for the year ending June 30, 2023, and verify financial information reported to the Corporate Board is accurate and reflect what is entered in the financial software. This proposal includes options for four additional years.

C. Who May Respond

Certified Public Accountants who are licensed to practice in the State of Indiana and agrees to perform the audit in accordance with UNIFORM COMPLIANCE GUIDELINES FOR EXAMINATION OF ENTITIES may respond to this RFP.

D. Instructions on Proposal Submission

1. Closing Submission Date
Proposals must be submitted no later than 3:00 PM Eastern Daylight Time on June 12, 2023
2. Inquires
Inquiries concerning this RFP must be made via email only to Lyndsey Hellems, Chief Administrative Officer, lhellems@easternindianaworks.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 EIW.
4. Instructions for Prospective Contractors
All proposals must be sent electronically to lhellems@easternindianaworks.org with "Audit RFP Submission-Organization Name" in subject line. It is the responsibility of the sender to make sure the file was received and compatible with EIW software and that the proposal is received by the date and time specified above. Consideration of late proposals is at the option of EIW.
5. Right to Reject
EIW reserves the right to reject any, and all proposals received in response to this RFP. It is understood that submitted proposals will become part of EIW official files without further obligation. 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 EIW 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. Presentations
At the discretion of EIW, Offerors submitting proposals may be requested to make oral presentations as part of the evaluation process. Presentations may be delivered in person or via teleconference. Reasonable advance notice will be provided to selected Offerors. Not all Offerors submitting a proposal will be asked to participate in oral presentations.



8. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within 10 days of the closing date for the receipt of proposals or successful negotiation of contract terms, whichever is later. Upon conclusion of final negotiations with the successful audit firm(s), all Offerors submitting proposals in response to this Request for Proposal will be informed of the decision.

It is expected that the initial contract shall be for one (1) year, with the option of 4 additional years.

E. Description of Entities and Records to be Audited

Alliance for Strategic Growth, Inc. (EIW) is an Indiana 501(c)(3) corporation. It is governed by a Board of Directors. Administrative offices are located at 4620 W Bethel Ave, Muncie, IN 47304.

Records for the audit are located at 4620 W Bethel Ave, Muncie, IN 47304.

Bank Accounts	Est. # of checks written and ACH Transfers made/year
EIW-Main Account	532
EIW-Corporate Account	0

EIW's financial statements are prepared using the accrual basis of accounting whereby revenues and assets are recorded when earned and expenses and liabilities are recorded when incurred.

EIW uses Financial Edge NXT a computerized financial accounting system that has been configured to produce information pertaining to fund, location, cost category and line items. The system will produce reports that identify assets, liabilities, expenditures, and revenue. EIW has a federally approved indirect rate and an approved Cost Allocation Plan.

EIW payroll is processed using the services of a payroll company. All staff payroll, all taxes and net checks are electronically collected by the respective contracted payroll company. Payroll information is submitted to the payroll company for checks and payroll reports. The payroll company makes all tax payments. Manual checks are issued for corrections as needed.

F. Options

At the discretion of EIW, this contract can be extended for four (4) additional one-year periods. EIW and the Offeror will negotiate the cost for the optional periods. It is anticipated that the cost for the optional years will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.



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, 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 EIW. Compliance audit work will also involve reviewing participant eligibility based on grant requirements.

B. Description of Programs/Contracts/Grants

See Attachment A

C. Performance

EIW records are to be audited through June 30 of each year of contract.

The Offeror is required to prepare audit reports in accordance with the *Government Audit Standards* (Current Revision), and any additional reports as required by EIW's funding agencies (i.e., Department of Workforce Development, etc.)

D. Delivery Schedule

The Offeror is to complete a financial and compliance audit for funds expended in the period July 1, 2022, through June 30, 2023. **Audit fieldwork must take place no later than the week of October 23, 2023. The draft audit report should be available no later than December 1, 2023.** The Offeror shall submit an electronic copy of the final audit report no later than March 1, 2024. The 990 forms must be submitted no later than April 5, 2024.

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 the provisions of this contract, EIW may, by written notice of default to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances EIW may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The price proposed to cover the complete audit engagement and tax filing must be detailed. Include information on how this price was determined, including information on estimated hours, staff hourly rates, and projected out of pocket expenses.

The price for completion of the 990 and NP20 Annual Reports should be detailed separately.

If there is a cost to file extension reports include that cost as a separate item. Any late filings due to the fault of the Offeror will be at the Offeror's cost including penalties and/or interest.

The price for completion of lease standard adoption, standard would be applicable for 6 building leases.

F. Contracts

The maximum number of contracts resulting from this RFP will be one issued to the successful Offeror.



G. Payment

Progress payments will be allowed to the extent that EIW can determine that satisfactory progress is being made. Propose an expected payment schedule.

A final payment of at least 25% of the audit contract price will be made when EIW has determined that the total work effort has been satisfactorily completed. Should EIW reject the report, the EIW'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.

Upon delivery of the electronic copy of the final reports, their acceptance and approval, and successful filing with the Federal Audit Clearing House and State Board of Accounts, the Offeror may submit a bill to EIW for the balance due on the contract for the audit.

Upon acceptance and approval of the 990 and NP20 Annual Reports payment will be made for those reports.

H. Audit Review

All audit reports prepared under this contract will be reviewed by EIW and its funding sources to ensure compliance with General Accounting Office's (GAO), *Government Audit Standards*, *GAAP*, and/or other appropriate audit guides.

I. Exit Conference

An exit conference with EIW 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 EIW. It should include internal control and program compliance observations and recommendations.

J. Workpapers

Upon request, the Offeror will provide a copy of the workpapers pertaining to any questioned cost 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.

The workpapers will be retained for at least three years from the end of the audit period.

The workpapers will be available for examination by authorized representatives of the cognizant federal or state agency, the GAO, and EIW.

K. Confidentiality

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



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, guides, procedures, statutes, rules, and regulations, in addition to generally accepted auditing standards, he or 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 or her report the fact that such requirements were not followed and the reasons therefor.

M. **Disclaimer**

Nothing in this RFP is intended to direct Offeror to conduct the audit in violation of existing audit standards. Offeror should call such discrepancies to the attention of EIW.

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 their prior auditing experience including the names, addresses, contact persons, and telephone numbers of prior organizations audited in compliance for the most recent three-year period. Offerors should document the level of complexity of the audits and if the audited agencies were multi-funded. Offerors should document specific experience with Employment and Training and similar programs. Experience should include the following categories:

- Prior experience auditing grant-funded non-profit entities.
- Prior experience auditing similar programs funded by the State of Indiana.
- Prior experience auditing programs financed 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. Description should include:

- Size of the Offeror, including number of employees and physical site locations.
- Explanation of independence
- Any conflicts of interest that exist.
- Explain if the Offeror 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. If there has not been a Peer Review, the Offeror should submit why they are exempt from or not participating in Peer Reviews.



C. Staff Qualifications

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

- Audit team makeup
- Overall supervision to be exercised.
- Prior experience of the individual audit team members.

The audit staff listed in the response to this RFP shall be bound to perform the audit. Changes in the audit team composition at the Supervisor or Contractor-in-charge level or above must be approved by EIW.

D. Understanding of Work to be Performed

The Offeror should describe its understanding of work to be performed our industry, by providing specific industry knowledge and expertise as well as prior auditing experience.

- Prior experience working with nonprofit organizations.
- Prior experience auditing grant funded organizations
- Prior experience auditing organizations similar to EIW
- Prior experience providing additional service to organizations.

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

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 EIW, because EIW 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 the Offeror's technical qualifications, pricing information, and the signed Certifications. These documents will become part of the contract.

B. Nonresponsive Proposals

Proposals may be judged nonresponsive and may be removed from further consideration if any of the following occur:

- The proposal is not received timely in accordance with the terms of this RFP.
- The proposal does not follow the specified format.
- The proposal does not include the Certifications.
- 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 (Current Revision).



C. Proposal Evaluation

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

<u>Factors</u>	<u>Point Maximum</u>
1. Prior experience auditing	
a. Prior experience auditing grant funded non-profit organizations -----	10
b. Prior experience auditing similar programs funded by State of Indiana -----	5
c. Prior experience auditing programs financed by the Federal Government -----	5
<p>Contact will be made by EIW of prior audited organizations to verify the experience provided by the Offeror. Please include contact information on prior audited firms including point of contact, email address, phone number and address.</p>	
2. Organization, size, and structure of Offeror’s firm (Considering size in relation to audits to be performed).	
a. Adequate size of the firm -----	5
b. Minority/small business -----	5
3. Qualifications of staff to be assigned to the audit 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 -----	5
b. Overall supervision to be exercised -----	5
c. Prior experience of the individual audit team member -----	10
4. Offeror’s understanding of work to be performed	
a. Adequate staffing for audit completion -----	5
b. Realistic time estimates of each audit step -----	10
c. Organization/user friendliness of schedules -----	5
5. Price -----	30
MAXIMUM POINTS: -----	100



D. Review Process

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

However, EIW 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. The final approval of the selected contractor is subject to the review and approval by the State Board of Accounts

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Attachment A - Funding Streams and Expenses

EIW PY22 PROJECTED EXPENSES FOR AUDIT RFP	
	Projections thru 6/30/23
WIOA Adult	\$ 688,144
WIOA Dislocated Worker	\$ 634,644
WIOA Youth	\$ 673,807
NEG-DW	\$ 533,527
RESEA	\$ 274,352
Jobs for America's Graduates/PreEts	\$ 279,776
WRG	\$ 48,121
WIOA-PSG	\$ 328,063
Business Consultant	\$ 120,000
H1B1	\$ 28,671
Muncie ARP	\$ 8,500
Total EIW Expenses	\$3,617,605

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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, or a public accountant licensed on or before July 1, 1998.
- G. The individual signing certifies that the Offeror meets the independence standards of the Government Auditing Standards (Current Revision).
- H. 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.
- I. The individual signing certifies that he/she has read and understands all the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited.
- J. 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 this _____ day of _____, 20 _____.

Offeror's Firm Name Printed

Printed Name of Signing Individual

Signature of Offeror's Representative

Title of Signing Individual

