



## REQUEST FOR PROPOSALS FOR AUDITORS

### PURPOSE

The Rural Community Assistance Partnership (RCAP) has initiated a Request for Proposal (RFP) process to identify a vendor for the preparation of its yearly audited financial statements and related filings. Our organization requires a federal single audit. The audit of RCAP's financial statements must be performed in accordance with generally accepted auditing standards.

### WHO MAY RESPOND

RCAP requires a vendor who has demonstrated experience in successfully providing auditing services to non-profits similar in size, funding sources and structure.

The vendor must not be barred from receiving federal funding. To be considered responsive, all submissions must include a statement indicating that the respondent is not on the US General Services Administration's System for Award Management's (SAM's) list of excluded entities.

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## **1. About the Organization**

Founded in 1973, the Rural Community Assistance Partnership, Inc. (RCAP) is a 501(c)(3) non-profit service delivery network comprised of a national office and six regional partners that provide technical assistance, training, and financial resources to community owned and operated water, wastewater and solid waste utilities in 2,000 small rural communities – including tribes – each year throughout the U.S. and its territories. Most communities RCAP assists are economically disadvantaged and have a population under 2,500, and many have significant minority populations. RCAP’s approximately 200 field staff members include registered professional engineers, certified operators, utility finance and board management specialists, community planners, and people with other relevant backgrounds.

Each regional partner offers an array of services that directly respond to the needs of its area. These region-specific services include affordable housing development assistance; loans for water and wastewater infrastructure, as well as housing and business development; community and economic development; job training and placement; disaster recovery, community-based education programs; and special programming for underserved populations. RCAP field staff track performance data to enhance our capacity to fulfill our mission of “improving the quality of life in rural communities.”

The RCAP national office engages in program management, applied research, policy development, public education, communications and advocacy on rural issues, especially with respect to community infrastructure. It also supports the work of the network by obtaining financial support, managing and implementing grants, sharing knowledge and best practices across the network, and promoting dialogue to help communities understand the relationship between the environment, public health, and economic viability. More information is available at <http://www.rcap.org>.

## **2. Audit Overview**

The Rural Community Assistance Partnership (RCAP) is a national network of nonprofit organizations that have historically focused on ensuring rural and small communities throughout the United States have access to safe drinking water and sanitary wastewater and solid waste disposal. The six regional RCAPs provide a variety of programs in their region of the United States to accomplish this goal, providing technical assistance to rural communities across the country. The audit will cover only RCAP’s operations, not the six regional partners. RCAP utilizes a fiscal year, which ends September 30. We anticipate that we would be prepared for the audit to begin by November 15 and would expect the delivery of financial statements and management letter by December 31. We would also expect the timely filing of all tax returns.

### **3. Scope of Work & Deliverables**

The Rural Community Assistance Partnership is seeking an opinion audit of its balance sheets as of September 30, 2020 and the related statements of support, revenue, and expenses, changes in fund balances, and cash flows for the year then ended. As required by generally accepted auditing standard, Government Auditing Standards, and Office of Management and Budget Circular A-133, we will require the following reports:

- Schedule of federal awards and auditors' report
- Schedule of indirect costs rates and auditors' report
- Report on internal control structure in accordance with Government Auditing Standards
- Report on internal control structure used in administering federal awards
- Report on compliance with laws and regulations based on an audit performed in accordance with Government Auditing Standards
- Report on compliance with the specific requirements applicable to major programs
- Report on compliance with the general requirements applicable to federal awards programs
- Report on compliance with the specific requirements applicable to non-major program transactions
- Schedule of findings and questioned costs

At the conclusion of the audit, the organization's annual tax information return, federal Form 990, Return of Organization Exempt from Income Tax, related Schedule A, Organization Exempt Under Section 501(c)(3).

The audit might also include:

- The bidder should describe its understanding of the work to be performed, estimated hours, and other pertinent information.
- The bidder should describe its firm, size and structure. Indicate whether the firm is a small or woman- or minority-owned business.
- The bidder should describe its work in auditing with non-profits of similar size and scope to RCAP.
- The bidder should also describe the qualifications of all staff to be assigned to the audit and specify the audit manager.
- Include resumes of staff to be assigned to the audit. Education, position in firm, years and type of experience, continuing professional education, etc., will be considered. Vendor is not able to sub-contract out any of the work without the pre-approval of the sub-contractor by RCAP.

**Expectations:**

- a) Vendor will meet with Finance Director and CEO to review audit planning, coordination, prior year 990 and auditor report, in order to clarify Scope of Services, issues, concerns, desired outcomes, and defined expectations.

**5. Ownership and Confidentiality**

All intellectual property will become the property of RCAP. All data remains the sole property of RCAP. The vendor shall further agree to keep information related to any and all contracts with RCAP in strict confidence, including, but not limited to, the terms of the contract(s) and any confidential business information or proprietary information learned through its dealings with RCAP.

**6. Proposal Format**

To best evaluate the ability of the vendor to meet our goals, please include the following in your proposal:

- Examples of similarly complex audits
- Your approach to audit preparation process
- A summary of experience in non-profit industry
- Three client references

**7. Proposal – Must include the following:****General Information**

RCAP understands that the scope of work requested may be conducted by a single consultant, a consultant group, or by a partnership of consultants. The proposal should provide the name, title, address, telephone number, and email address for each person engaged in the audit. If a consultant group or partnership of consultants, the proposal should indicate who will serve as the “point” person.

**Vendor Qualifications and Roles**

The proposal must describe the vendors’ qualifications to conduct the RFP scope of work activities, including his/her expertise, knowledge, and experience. Experience should include examples of conducting similar or related work, as well as experience working in non-profit accounting.

To accomplish the scope requested, the consultant will need to possess the following qualifications:

- Experience at conducting single audit of non-profits
- Strong organizational skills
- Knowledgeable of non-profit rules and issues

- Knowledgeable of budgeting
- Audit management experience

If a consultant group or partnership of consultants is proposed to conduct the RFP scope of work, the proposal must indicate which activities each consultant will conduct as well as information about their level of expertise, knowledge and experience to conduct those specific activities.

### **Work Plan**

The proposal should contain a detailed description of the activities to be conducted by the consultant in order to complete the requested scope of work, including:

- the specific activities to be conducted at each stage,
- a timeline for the activities at each stage,
- milestones and deliverables tied to those activities, and
- a detailed budget for each stage, along with a proposed payment schedule tied to audit milestones and/or deliverables.

### **References**

The proposal should include at least three references of individuals who can speak to their experience with the vendor in conducting audit of similar scope. Information regarding each reference should include the individual's name, address, telephone number and email address.

### **Previous Work Product**

The proposal should include at least two examples of written work similar to the scope of work requested within this RFP.

## **8. Scoring**

Proposals will be reviewed and evaluated based on the following criteria:

- Qualifications – 30%
  - Consultant has the qualifications necessary to successfully complete the scope of work
  - The consultant has prior experience working on similar audits
  - The consultant has prior experience working with similar organizations
- Scope of Proposal – 30%
  - The proposal demonstrates an understanding of the audit objectives
  - The proposal illustrates an approach to the scope of work that will likely lead to the successful completion of the audit

- The proposal illustrates the vendor’s ability to successfully execute the proposed approach
- The proposal includes an appropriate process to interact with board members and staff
- Work Plan – 25%
  - The proposal adequately details audit activities and milestones, or deliverables associated with each stage of the scope of work
  - The proposal includes a detailed timeline for each stage
  - The work can be completed within the audit timeline
- Budget – 15%
  - The proposal includes a detailed budget for each stage of the scope of work
  - Proposed costs are reasonable

## **9. Process for Proposal Submission and Evaluation**

### **Instructions for submission**

#### **a) Closing Submission Date**

Proposals are due by 5:00 PM Eastern on June 15, 2020.

#### **b) Inquiries**

Inquiries concerning this RFP should be directed to Alia Iqbal (contact information below) no later than May 30, 2020.

Alia Iqbal- Finance Director  
aiqbal@rcap.org

#### **c) Conditions of Proposal**

All costs incurred in the preparation of a response to this RFP are the responsibility of the bidder and will not be reimbursed by RCAP.

#### **d) Submission Instructions**

Proposals should be submitted in PDF format via email to aiqbal@rcap.org before the closing submission date. If the file is too large for email, a link to the file should be provided.

Late arrivals will not be accepted. Mail submissions will not be accepted.

It is the responsibility of the bidder to ensure that the response is received by RCAP by the closing submission date. A response may be judged nonresponsive and excluded for further consideration if it is not received by the deadline or does not follow the specified format.

#### **e) Right to Reject**

RCAP reserves the right, in its sole discretion, to reject all responses received in response to this RFP. A contract for the accepted response will be based upon the factors described in this RFP.

**f) Small Businesses, Minority-Owned Firms, and Women’s Enterprises**

RCAP will make efforts to utilize small businesses, women’s business enterprises, and/or minority-owned firms. A bidder qualifies if it meets the definition established by the Small Business Administration.

**g) Confidentiality**

If the bidder deems any material submitted to be proprietary or confidential, that must be indicated in the relevant section(s) of the response.

**h) Notification of Selection and Timeline**

It is expected that a bidder will be selected within two to three weeks of the closing submission date, although this timeline is subject to change. RCAP reserves the right to cancel this RFP at any time. Upon conclusion of negotiations with the successful bidder, all bidders submitting responses to this RFP will be informed in writing of the name of the successful firm or individual.

RFP Released:

Questions on RFP due: May 30, 2020

Proposals due: June 15, 2020

Interview vendors: June 22 to June 30, 2020

Vendor selection made July 31, 2020

Audit begins November 15, 2020

**i) Criteria for Selection**

RCAP will select the proposal which it feels will deliver the highest quality deliverable at the best value. Proposals will be initially reviewed by the Finance Director, CEO and board committee. Interviews will be completed by the Finance Director, CEO and board committee, who will submit the best option to the RCAP Board for a final decision.

Price will be a significant, but not the only, criteria in evaluating the proposals.

Consideration will also be given to the following:

- Ability of the bidder to provide all aspects of the proposal.
- Compliance of the vendor and proposal with the audit requirements outlined above.
- The extent to which the proposed deliverable meets the scope and goals outlined below.
- Experience with similar organizations and portfolio of work.

The award will be made to the qualified bidder whose proposal is most advantageous to RCAP with price and other factors considered. RCAP may, in its sole discretion, reject all proposals without providing a detailed explanation for decisions.

RCAP, in its sole discretion, may request proposal presentations by meeting with any or all bidders to clarify or negotiate modifications to proposals. However, RCAP 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 bidder can propose.

RCAP contemplates award of the contract to the responsible Bidder with the most cost-effective solution and the capabilities to perform the contract services.

**j) CONFLICT OF INTEREST**

The Bidder must disclose, in an exhibit to the proposal, any possible conflicts of interest that may result from the award of the Contract or the services provided under the Contract. Except as otherwise disclosed in the proposal, the Bidder affirms that to the best of its knowledge there exists no actual or potential conflict between the Bidder, the Bidder's audit manager(s) or its family's business or financial interests ("Interests") and the services provided under the Contract. In the event of any change in either Interests or the services provided under the Contract, the Bidder will inform RCAP regarding possible conflicts of interest, which may arise as a result of such change and agrees that all conflicts shall be resolved to the RCAP's satisfaction or the Bidder may be disqualified from consideration under this RFP. As used in this Section, "conflict of interest" shall include, but not be limited to, the following:

1. Giving or offering a gratuity, kickback, money, gift, or anything of value to a RCAP official, officer, or employee with the intent of receiving a contract from RCAP or favorable treatment under a contract.
2. Having or acquiring at any point during the RFP process or during the term of the Contract, any contractual, financial, business or other interest, direct or indirect, that would conflict in any manner or degree with Bidder's performance of its duties and responsibilities to RCAP under the Contract or otherwise create the appearance of impropriety with respect to the award or performance of the Contract; or <sup>[[</sup>SEP<sup>]]</sup>
3. Currently in possession of or accepting during the RFP process or the term of the Contract anything of value based on an understanding that the actions of the Bidder or its affiliates or Interests on behalf of RCAP will be influenced.