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New Castle, PA 16103

Lawrence County Social Services, Inc.

United Community Services, Inc.

Allied Coordinated Transportation Services, Inc.
(A.C.T.S.)

Lawrence County Community Action Partnership

Request for Proposal

For audit and tax services

For the period

July 1, 2024, to June 30, 2025

Inquiries and proposals should be directed to:

Name: Teresa L. Butcher

Title: Chief Financial Officer

Entity: Lawrence County Community Action Partnership
inclusive of: Lawrence County Social Services, Inc.
Allied Coordinated Transportation Services, Inc.
United Community Services of Lawrence County, Inc.

Address: 241 West Grant Street,
New Castle, PA 16101

Phone: 724.658.7258

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General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit, retirement audit and tax return services for the year ending June 30, 2024, 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.

C. Inquiries

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

Teresa L. Butcher, CFO
Patricia Pidro, Accounting Manager
Vicki Briner, Fiscal Operations Coordinator

Requests for additional information, visits to our sites, review of prior financial statements and tax returns, and/or appointments with the Chief Financial Officer should be coordinated through the Accounting Manager. You may reach her at 724.658.7258 ext. 1117

D. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on June 18th of 2024.
2. 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 Lawrence County Community Action Partnership, Inc.
3. Instructions to Prospective Contractors:

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. June 18, 2024
Sealed Proposal
For Audit and Tax Services

4. Hard copy submissions: Proposals may be submitted by hard copy to the following mailing address: Lawrence County Community Action Partnership, 241 W. Grant Street, New Castle, PA 16101 by the closing submission dated noted above. Three copies of the proposal must be submitted.

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

No electronic submissions will be accepted.

Late proposals will not be considered.

5. Right to Reject: Lawrence County Community Action Partnership 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.
6. Small and/or Minority-Owned Businesses: Efforts will be made by Lawrence County Community Action Partnership 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).
6. Notification of Award:
 - a. It is expected that a decision selecting the successful audit firm will be made within (2) 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 Request for Proposal will be informed, in writing, of the name of the successful audit firm.
 - c. It is expected that the contract shall be a one-year, fixed-price contract with options for four additional one-year periods.

E. Description of Entity and Records to Be Audited and tax services

Lawrence County Community Action Partnership is made up of three agencies that seek to involve the community in assessing local needs and attacking the causes and conditions of poverty.

They are:

- 1.) Lawrence County Social Services, Inc.

Lawrence County Social Services, Inc. (LCSS) is the funding administrator of the Lawrence County Community Action Partnership and has been designated the Community Action Agency for Lawrence County. LCSS is a private, nonprofit corporation 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 14 member volunteer board of directors. Administrative offices and all records are located at 241 West Grant Street, New Castle, PA 16101. Annual revenues are between 32 million and 38 million, and the organization employs 216 people in eleven different locations. The audit will be conducted in accordance with "Government Auditing Standards" and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

2.) United Community Services of Lawrence County, Inc.

United Community Services of Lawrence County, Inc. (UCS) is a Childcare Operator in Lawrence County. UCS is a private, nonprofit organization and has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Annual revenues are between \$1.8 million and \$2.5 million per year and the organization employs 31 people. The audit will be conducted in accordance with generally accepted auditing standards.

3.) Allied Coordinated Transportation Services, Inc.

Allied Coordinated Transportation Services, Inc. (ACTS) is the Senior Shared Program Administrator and Provider, Provider for the Shared Ride Program for Persons with Disabilities, and the Welfare to Work Program Administrator and Provider. ACTS is a private, nonprofit corporation and has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Annual revenues are between \$3.5 million and \$4.0 million per year, and the organization employs 25 people. The audit will be conducted in accordance with generally accepted auditing standard. The Organization is also required to have a program audit on Non-Fixed Shared Ride and other transportation programs. The audit will be conducted in accordance with generally accepted auditing standards.

F. Options

At the discretion of Lawrence County Community Action Partnership, this audit, tax and retirement contract can be extended for four additional one-year periods. The cost for the option periods will be agreed upon by Lawrence County Community Action Partnership 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, hereinafter referred to as the "Offeror," to perform a financial and compliance audit and a retirement audit of Lawrence County Social Services, Inc., a financial and a program audit of Allied Coordinated Transportation Services, Inc. and an audit of United Community Services of Lawrence County, Inc.

B. Description of Programs/Contracts/Grants

Please see an attached list of the program, projects, and grants.

C. Performance

Lawrence County Community Action Partnership's records should be audited, and tax returns provided through June 30, 2024.

The Offeror is required to prepare audit reports in accordance with *Government Auditing Standards, United States Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, Pennsylvania Department of Public Welfare, and Pennsylvania Department of Transportation Standards*

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to Lawrence County Community Action Partnership's Executive Director and Chief Financial Officer. The draft audit reports for ACTS and UCS are due on November 30, 2024, and the draft audit report for LCSS is due on December 20, 2024. The Offeror shall deliver the final audit reports to Lawrence County Community Action Partnership's board of directors no later than January 15, 2025. Tax returns should be completed by March 15, 2025. The retirement audit should be completed by November 30, 2024.

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 the provisions of this contract, Lawrence County Community Action Partnership 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 for services should include a not-to-exceed total fee and a fee per services (audits, tax services and any additional services) and 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 Lawrence County Community Action Partnership has determined that the total work effort has been satisfactorily completed. Should Lawrence County Community Action Partnership reject a report, Lawrence County Community Action Partnership'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 Lawrence County Community Action Partnership can determine that satisfactory progress is being made.

Upon delivery of the final reports to Lawrence County Community Action Partnership 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 Lawrence County Community Action Partnership and its funding sources to ensure compliance with the General Accounting Office's (GAO) *Government Auditing Standards* and other appropriate audit guides.

H. Exit Conference

An exit conference with Lawrence County Community Action Partnership'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 Lawrence County Community Action Partnership. It should include internal control and program compliance observations and recommendations.

I. 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 seven 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 Lawrence County Community Action Partnership.

J. Confidentiality

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

K. 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.

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.

B. Understanding the scope of work

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

C. Understanding our industry

The Offeror should understand 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 Lawrence County Community Action Partnership
4. Prior experience providing additional services to organizations similar to Lawrence County Community Action Partnership

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 resumes 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 business, minority-owned business, women's business enterprise, or labor surplus firm.

F. Audit Approach to the Engagement

The Offeror should describe its approach of 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 Lawrence County Community Action Partnership, because Lawrence County Community Action Partnership desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals

All proposals shall include three copies of the Offeror's technical qualifications, three copies of the pricing information, and three copies of the signed Certifications. 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.

- | | |
|---|-------------|
| 1. Understanding our industry | Point Range |
| a. Understanding our current challenges and opportunities | 0 – 10 |
| b. Firms approach to addressing our challenges | |
| 2. Understanding our industry | 0 – 20 |
| a. Prior experience auditing Community Action Agencies | |
| b. Prior experience auditing similar programs funded by Lawrence County Community Action Partnership | |
| c. Prior experience auditing and preparing tax returns for nonprofit organizations | |
| d. Prior experience auditing retirement plans | |
| Lawrence County Community Action Partnership will contact prior audited organizations to verify the experience provided by the Offeror. | |
| 3. Value-Added Services Beyond the Audit | 0 – 10 |

4. Organization, size, and structure of Offeror's firm (consider size in relations to audits to be performed) 0 – 10

- a. Adequate size of the firm
- b. Proper independence
- c. No conflicts of interest
- d. Results of peer review
- e. Minority-owned/small business/women's business enterprise/business enterprise/labor surplus firm

5. Qualifications of staff to be assigned to the audits and tax services 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 and tax team members
- b. Overall supervision to be exercised

5. Offeror's audit and tax approach to the engagement

- a. Adequate coverage 0 – 15
- b. Realistic time estimates of each audit step

6. Price 0 – 15
Maximum Points 100

D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, Lawrence County Community Action Partnership 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 Lawrence County Community Action Partnership may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, Lawrence County Community Action Partnership 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.

Lawrence County Community Action Partnership 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.
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)*
 - e. *U.S. Department of Labor and Rules and Regulations for Reporting and disclosure under the Employee Retirement Security Act of 1974 (ERISA)*

- f. *Pennsylvania Department of Transportation, Bureau of Public Transportation Regulations*
- g. *Pennsylvania Department of Human Services Regulations*

11. 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.
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)