Request for Proposal for Audit and Tax Services

For the fiscal periods July 1, 2019 to June 30, 2020; July 1, 2020 to June 30, 2021; July 1, 2021 to June 30, 2022

Inquiries and proposals should be directed to:

Kim Lonien
Director of Finance
NeighborImpact
2303 SW First Street
Redmond, Oregon 97756

541-323-6512
kiml@neighborimpact.org

Due Date: submit one copy on or before July 2, 2020, 4:30 p.m.
e-mail submissions accepted
(If emailed, send with call to confirm submission)

Late or incomplete submissions will not be considered
Request for Proposal for Audit and Tax Services

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Request for Proposal for Audit and Tax Services

General Information

A. Purpose
This Request for Proposal (“RFP”) is to contract for a financial and compliance audit and tax services for the year ending June 30, 2020. The proposal includes options for two additional years.

Professional audit services to be completed in accordance with generally accepted Auditing Standards, and Single Audit Act and set forth by the American Institute of Certified Public Accountants. In addition, to comply with Governmental Audit Standards established by GAO and Uniform Grant Guidance. To perform work to allow the expression of an opinion on the financial statements and to determine if the Agency has complied with legal provision.

To draft the annual financial statement according to reporting and disclosure standards as they exist for the period under audit. To include the necessary financial statements, disclosures and supplementary information.

A draft of the report is to be presented to management and/or the board of directors before final publication.

Certified Public Accountant (“CPA”) will present the audit to the Finance Committee and to the Board of Directors.

Will produce the number of reports required to meet the needs of the Agency. Will furnish the Agency’s accounting staff with adjusting journal entries (if any) and their explanations, and be available to review the adjustments.

Will be available throughout the year to consult with staff regarding organization of accounting systems to ensure a compliant fiscal management system and to explain and defend auditing practices to regulatory agencies, including Internal Revenue Service or Oregon Department of Justice if and as necessary.

B. Who May Respond
Licensed Certified Public Accountants who are not disbarred from working with federal government funding (as indicated by adverse listing in SAM.gov)

C. Instructions on Proposal Submission
• Submit written bid to NeighborImpact's Redmond administrative headquarters by 4:30 p.m. on or before the due date July 2, 2020
• Email submissions will be accepted
• One copy of proposal
• Provide minimum of 3 non-profit audit client references

• Closing Submission Date: Proposals must be submitted bid to NeighborImpact's Redmond, Oregon, administrative headquarters by 4:30 p.m. on or before the due date July 2, 2020

• Inquiries: Inquiries concerning this RFP should be directed to:

  Kim Lonien, kiml@neighborimpact.org

• Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Prospective Contractor (“Offeror”) and will not be reimbursed by NeighborImpact.

• Instructions to Offeror:

  Your proposal should be addressed as follows:

  Name: Kim Lonien  
  Title: Director of Finance  
  Entity: NeighborImpact  
  Address: 2303 SW First Street  
            Redmond, Oregon 97756

  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  
  Sealed Proposal  
  For Audit Services

  Failure to do so may result in rejection of your proposal.

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

  Late proposals will not be considered.

5. Right to Reject: NeighborImpact 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 and the ability of the offeror to perform the work specified in a timely and responsive manner. NeighborImpact may also reject
proposals based on negative past experience with offeror, adverse information regarding past performance whether obtained from the proposal or elsewhere, or perceived lack of capacity to perform the services requested. Given the need to provide auditor with access to files and to consult with auditor throughout the year, auditor’s accessibility may also be the basis of rejection.

6. Small and/or Minority-Owned Businesses: Efforts will be made by NeighborImpact to utilize small businesses and woman- or 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 (2 CFR Part 200.321).

7. Notification of Award:
   - It is expected that a decision selecting the successful audit firm will be made within three (3) weeks of the closing date for the receipt of proposals.
   - Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting proposals in response to this Request for Proposal will be informed that an award has been made.
   - It is expected that the contract shall be a one-year fixed price contract with options for two extension of one-year periods. Proposal must specify cost of extensions in subsequent years. Offeror should indicate a willingness to negotiate additional extensions at a price to be determined in future years.

D. Description of Entity and Records to be audited

From 1985 to date, NeighborImpact has been recognized by Oregon Housing and Community Services Department (OHCSD) as a community action agency serving Crook, Deschutes and Jefferson counties. The organization also provides services to the Confederated Tribes of Warm Springs. It is organized as a 501 (c) (3) charitable corporation. A fifteen member volunteer board is responsible for setting policy and direction for the organization. Its service area encompasses all of Crook, Deschutes and Jefferson counties in a region known as Central Oregon. NeighborImpact maintains over 25 facilities, including leased and owned offices and classroom sites in the communities of La Pine, Bend, Redmond, Prineville and Madras. It is the region’s lead agency for provision of a variety of social services, including operation of:

- The regional food bank
- Head Start, Early Head Start and Oregon Prekindergarten programs, which include food service and transportation components
- Housing and Homeless Services (including shelter operation)
- Energy Assistance
- Homeownership and Asset Building
- Affordable housing development
- Weatherization
- Childcare Resources (supporting the needs of childcare providers but not providing childcare on a fee-for-service basis)
- Lending to low- and moderate-income households
- Representative Payee Services (financial administration for individuals cognitively and/or physically unable to manage their personal finances)
- Community Development, including administration of Community Development Block Grants, Community Solar and other capacity-building and infrastructure development projects undertaken for the benefit of low- and moderate income populations.

NeighborImpact is governed by a 15-board of directors, selected by seated directors to represent the demographic and geographic diversity of Central Oregon. A Finance Committee chaired by the Secretary/Treasurer of the organization and consisting of selected board members and community members reviews the financial affairs of the organization and oversees completion of the audit.

NeighborImpact maintains subsidiary corporations, including a separate 501 (c) 3, the Community Action Foundation of Central Oregon and various LLCs related to housing and community development projects. NeighborImpact also is the majority owner (51 percent) of an affordable housing LLC. The balance of the LLC is owned by Housing Works, a regional housing authority organized under ORS 190. Housing Works is the managing partner. NeighborImpact also is the beneficiary of a donor-advised fund held by Oregon Community Foundation and the board of directors maintains a quasi-endowment currently invested with Merrill Lynch Wealth Management. All funds held in separate entities must be rolled up into the NeighborImpact audit.

NeighborImpact is part of the a network of Community Action Agencies authorized by the federal government and chartered in Oregon by Oregon Housing and Community Services. OHCS provides an annual fiscal monitoring of NeighborImpact’s financial systems and accountability. NeighborImpact receives funds from the federal office of Head Start, located with the federal Office of Community Services, Administration for Children and Families. NeighborImpact is a part of the Neighborhood Reinvestment Corporation, dba NeighborWorks, a congressionally chartered and funded nonpartisan nonprofit. NeighborImpact is monitored financially by the Social Security Administration in conjunction with administration of its Representative Payee Program. The U.S. Department Housing and Urban Development regularly audits NeighborImpact housing assistance and home ownership programs. HUD and Business Oregon may audit administration of Community Development Block Grants in future. USDA audits federal food assistance programs, including CACFP and TEFAP. Financial statements must be prepared in a form satisfactory to the above-named organization and auditor communication with the above named and other funders may be required.

Audit should include a consolidated statement of financial position for NeighborImpact and related consolidated statement of activities, consolidated functional expenses and cash flows for the fiscal year then ended.
NeighborImpact Fiscal Information:

- Fiscal Year: July 1 to June 30
- Annual operating budget: $22,000,000 (approximate)
- Grant Years: variable
- Funding: Federal, State, Local, Private, Donations, Grants, Contracts, Loans, Mortgages, Housing Counseling, Loan Servicing, Fundraising, Endowment
- Automated Accounting System: Abila (MIP) Fund Accounting – accrual basis
- RPM Rep Payee system
- Type of funds: With Donor Restrictions, Without Donor Restrictions
- Number of Employees: 190
- Payroll (Paylocity): in-House by Automatic deposit Bi-weekly
- Checking accounts: General, Accounts Payable, Payroll, Lending, Endowment, Micro Lending, Rep Payee, ECCO and CAFCO.
- Investments: CDIA accounts

Upon request, NeighborImpact will make records to be audited available for review by the Offerors prior to proposal submission.

E. Tax Services
The Offeror will prepare federal and state tax returns and supporting schedules for NeighborImpact, CAFCO, a supporting non-profit, taxes for 2019 and subsequent years (if contract is extended).

F. Options
At the sole discretion of NeighborImpact, this audit/tax preparation contract can be extended for two additional one-year periods. The cost for the extended years should be specified in the audit proposal.

G. Access to prior year audits for purposes of review
Prospective offerors are encouraged to review prior year audits at the NeighborImpact website, www.NeighborImpact.org. Audits can be found under the "About Us" tab in the "Financial Statements" tab listed in the drop down menu.
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 NeighborImpact.

To perform an audit in accordance with Government Auditing Standards, to perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit that includes on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit that also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

An audit to review NeighborImpact’s internal control over financial reporting and tests of its compliance with certain provisions of laws, regulations and contracts and grants.

To provide a schedule of expenditures of federal awards as required by U.S. Office of Management and Budget uniform grant guidance, Audits of States, Local Governments, and Nonprofit Organizations.

Government Audit Standards, states on page 2-1:

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

B. Description of Programs/Contracts/Grants
NeighborImpact currently has 170 active fund accounts. Sample federal and state funding sources and types of Federal programs and activities are listed below. This list may not be comprehensive as additional funds are received throughout the year.

Federal Programs:
  BPA Weatherization
  Child and Adult Care Food Program (CACFP)
  Child Care and Referral Network
  Community Development Block Grants (CDBG)
  Community Service’s Block Grant (CSBG)
DOE Weatherization
Emergency Food Assistance Program (TEFAP) Food Commodities
Emergency Food Operations
Emergency Services Grant Program
Federal Head Start Program
Home Tennant Based Assistance (TBA)
Housing Counseling
Housing Support Program (HSP)
HUD
Low Income Energy Fuel Assistance (LIEAP)
Low Income Energy Weatherization Assistance (LIEAP Weatherization)
NeighborWorks America Grants – expendable and capital funds
Supportive Housing Program (SHP)

**State of Oregon Programs:**
- Emergency Housing Assistance - EHA
- Emergency Shelter Grant Program (ESGP)
- Energy Conservation Help for Oregonians (ECHO) – Rehabilitation Grant
- Home Owner Assistance Partner (HOAP)
- Individual Development (IDA)
- Integrated Childcare Program Services
- Low Income Rental Housing Fund (LIRHF)
- Oregon Energy Assistance (OEA)
- Oregon Pre-Kindergarten (OPK) – Head Start Program
- State Housing Assistance Program (SHAP)

**Private Grants from:**
- Business, Foundations and Local Government

**Mortgage Loan Funds**

**NeighborWorks America Capital Funds** – permanently restricted Federal funds.

**Rehabilitation Loan Funds** – Revolving Fund (16 active Funds)

**Loan Servicing**
- NeighborImpact – HOOP Loans

**Fundraising**

**C. Performance**
The NeighborImpact’s records should be audited through June 30, 2020. Tax services are for the year 2019.
The Offeror is required to prepare audit reports in accordance with the *Government Audit Standards*, Federal Head Start Program required compliance audit steps, understanding and documentation of internal controls, overview and application of Head Start compliance supplement and Head Start reporting and to follow specific audit and financial statements requirements regarding Neighborhood Reinvestment Corporation grants.

**D. Delivery Schedule**
Audit is to be performed after the closing of the Agency’s fiscal year. The fiscal year ends June 30th. Audit is to commence not later than October. Actual audit dates will be determined by the Fiscal Director and Offeror not later than August 15th. Final completion of the audit must be completed by the first Friday of December. CPA will present the audit to the Finance Committee for review and approval and to the Board of Directors at the December board meeting (usually second Thursday of Month). Presentation will be in person unless electronic appearance is authorized in advance. The audit will be uploaded to the Federal Audit Clearinghouse and the 990 will be completed and filed by December 24th of each year or the by the Thursday preceding, in order to allow sufficient time for filing with regulatory agencies. Filing of extensions related to tax preparation is the responsibility of the offeror.

The Offeror shall deliver (20) final audit reports to NeighborImpact’s Board of Directors no later than December 1st.

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 of the provisions of this contract, NeighborImpact 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 should be submitted separately. 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. The pricing information should be in a separate sealed envelope.

**F. Payment**
Payment will be made when NeighborImpact has determined that the total work effort has been satisfactorily completed. Should NeighborImpact reject a report, NeighborImpact’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.
Progress payments will be allowed to the extent that NeighborImpact can determine that satisfactory progress is being made. This should be scheduled as part of the contract – or Offeror should propose a payment schedule. In the event of termination of this contract by NeighborImpact for cause, all progress payments will be returned within 30 days of written notice of termination to offeror.

Upon delivery of the (20) copies of the final reports to NeighborImpact and their acceptance and approval, the Offeror may submit a final invoice for the balance due on the contract for the audit. NeighborImpact will pay the balance due within 30 days of receipt of final invoice, plus 5 percent for each 30 days beyond the initial 30.

Failure to meet the deadlines specified in Section D, Delivery Schedule, will result in non-payment by NeighborImpact of any fees for service; however, this provision will not apply if offeror cannot complete the audit or tax filing due to lack of cooperation from NeighborImpact management; lack of guidance from or other technical issues related to U.S. Treasury, Oregon Department of Justice or other federal or state agencies responsible for facilitating filing of tax information; or Act of God/force majeure. Likewise, if offeror fails to file timely extensions, offeror will be responsible for payment of any financial penalty incurred by NeighborImpact.

G. Audit Review
Any audit reports prepared under this contract must comply with General Accounting Office’s (GAO) Government Audit Standards and other appropriate audit guides, including the guidance provided by the Financial Standards Accounting Board.

H. Work papers
- Upon request, the Offeror will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
- The work papers will be retained for at least three years from the end of the audit period.
- The work papers will be available for examination by authorized representatives of any federal or state or local government agency doing business with NeighborImpact, the General Accounting Office, NeighborImpact or any funder to which NeighborImpact has contractually agreed to allow access to its audit.

I. Confidentiality
The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to NeighborImpact, 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, NeighborImpact’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 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 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 therefore.

**Offeror’s Technical Qualifications**

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

**A. Prior Auditing Experience**

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

1. Prior experience auditing an organization operating with multiple funds.
2. Prior experience auditing an organization that receives Federal funds
3. Prior experience auditing similar programs funded by the State of Oregon.
4. Prior experience auditing similar county or local government activities.
5. Prior experience auditing nonprofit organizations.
6. Knowledge of federal Uniform Grant Guidance and its applicability to federal funding.

**B. Organization, Size, and Structure**

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate, if appropriate, if the firm is a small or woman- or minority-owned business. Offeror should include a copy of the most recent Peer Review, if the Offeror has
had a Peer Review. Offeror may not be disbarred from receipt of federal funds as indicated in the SAM.gov registry.

C. Staff Qualifications
The Offeror should 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: Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. will be considered.

D. Understanding of Work to be Performed
The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information as well as information about tax services.

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 NeighborImpact, because NeighborImpact desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals
All proposals shall include one copy of the Offeror’s technical qualifications, copy of the pricing proposal and a copy 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 timely 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 Audit Standards of the U.S. Comptroller General.
D. Review Process
Preference will be given to Offerors with Head Start audit experience. NeighborImpact may, at its discretion, request presentations by or meetings with any or all Offerors, to clarify or negotiate modifications to the Offerors’ proposals.

However, NeighborImpact 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.

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 Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hours 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:

   - Government Auditing Standards (Yellow Book)
   - Uniform Grant Guidance, Audits of Institutions of Higher Education and Other Nonprofit Institutions
   - Uniform Grant Guidance - Compliance Supplement
   - Uniform Grant Guidance, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations
   - Uniform Grant Guidance, Cost Principles for Nonprofit Organizations
   - Audits of Voluntary Health and Welfare Organizations (AICPA Audit Guide)
   - Audits of Certain Nonprofit Organizations (AICPA Audit Guide) *(NOTE: If the entity is a unit of government, replace 4-8 above with the following :)*
   - Audits of State and Local Units of Government (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 2 CFR 910, DOE’s administrative requirements, and 2 CFR 200, DOE’s weatherization program requirements.)*

11. The individual signing certifies that he/she has read and made the necessary inquiries and therefore understands all of the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited and the timelines related to submittal of the audit and penalties for late submission.

12. 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 _______________, 2017.

____________________________________
(Offeror’s Firm Name)

____________________________________
(Signature of Offeror’s Representative)

____________________________________
(Printed Name and Title of Individual Signing)