Capital Area Community Action Agency (Capital Area Community Action or the Agency) is accepting proposals from CPA firms to provide audit and tax services for our organization and its wholly-owned subsidiary, Capital Area Community Action Agency Holdings (Holdings), for the fiscal year ending September 30, 2019. We invite your firm to submit a proposal to us by October 21, 2019 for consideration. A description of our organization, the services needed, and other pertinent information follows.

**Capital Area Community Action Agency Overview**

Capital Area Community Action Agency is a community service organization established in 1965. The Agency administers locally the federal safety net to residents living in poverty.

Capital Area Community Action has more than 100 staff to provide services in eight counties from Jefferson to Gulf. The Agency offered assistance to more than 8,000 residents in 2018. Most of the funding for these programs originates from federal government agencies. Capital Area Community Action received and maintains the 501(c)(3) designation from the IRS.

For an overview of Capital Area Community Action or to learn more about our programs, please visit our website at <http://capitalareacommunityactionagency.com/>.

The following are brief descriptions of Capital Area Community Action’s programs and services:

1. Emergency services (e.g., utility payment, rent assistance, deposits).
2. Weatherization assistance (e.g., insulation, weather stripping, new doors and windows, etc.) to make homes more energy efficient.
3. Self-sufficiency programs to help people become independent of public assistance.
4. Head Start pre-kindergarten education and early childhood development programs, and
5. Administrative services to administer staff, contracts, insurance, clerical support systems, planning and program development, all accounting, financial and data base information and systems, and related administrative and fiscal functions for all agency programs.

**Scope of the Audit**

The audit shall consist of an examination of the financial statements conducted in accordance with generally accepted auditing standards and shall include a review of accounting policies and procedures, internal control over financial reporting, and on compliance and other matters in accordance with Government Auditing Standards, to ensure there is effective control over revenues, expenditures, assets, and liabilities and that there is a proper accounting of resources, liabilities and accounting operations.

The examination shall be sufficient in scope so as to render an opinion on the fairness of the representations contained in the statements of financial position, activities and cash flows.

**Reports Required**

The auditor shall prepare:

1. Comprehensive Annual Financial Report (CAFR): General purpose financial statements, combining statements, and individual statements; supplementary schedules consistent with prior years

* One (1)preliminary electronic draft
* Up to Twenty (20) final bound copies
* One (1) final electronic copy

1. Single Audit Report: Report according to the compliance requirements applicable to major federal contracts and/or grants to be included in CAFR.
2. Management Letter to the Board of Directors: Purpose of letter will be to make known recommendations of the auditor which, if implemented, would in the auditor’s opinion, increase efficiency and improve internal accounting control. All comments and recommendations shall be discussed with, and a draft of the letter provided to the CEO and CFO prior to issuance.
3. IRS Form 990: Return of Organization Exempt From Income Tax (for the Agency and for Holdings)

* One (1)preliminary electronic draft
* One (1) final bound copy
* One (1) final electronic copy

**Presentation**

The auditor will be expected to give a presentation to the Board of Directors on the audited financial statements, reports, findings and other relevant information.

**Key Personnel**

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

Keith Dean, CPA CFO 850-980-3745

Tim Center CEO, Executive Director 850-222-2043 x 102

**Relationship with Current CPA Service Provider**

Carr, Riggs & Ingram, LLC have provided these services. There have been no disagreements on accounting matters with the current CPA firm.

**Auditor Prerequisites**

1. The firm or individual must have at least five (5) years experience working with non-profits of sizes equivalent to that of the Agency.
2. The firm or individual must have experience working with United Way grants, state or local government contracts, and other private funders of non-profit organizations.
3. The firm or individual must have an office within at least 50 miles of Capital Area Community Action’s main office.
4. Consideration will be given to a firm or individual with prior experience auditing social service agencies or experience auditing organizations with large federal and state grants and contracts including single audit act requirements.

**Response to Request**

In responding to this request, we ask for the following information:

1. Detail your firm’s experience in providing auditing and tax services to companies in the not-for-profit sector, as well as associations of a comparable size to Capital Area Community Action.
2. Provide information on whether you provide services to any related industry non-profits or groups.
3. Discuss the firm’s independence with respect to Capital Area Community Action.
4. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three (3) years.
5. Identify the partner, manager, and in-charge accountant who will be assigned to the Agency if you are successful in your bid, and provide resumes.
6. Describe how your firm will approach the audit of the organization, including the firm’s use of technology in the audit. Describe your audit planning process, and what areas, of any, of the audit that you think will require special attention and how you will handle these matters. Provide a tentative schedule for performing key phases of the audit and the amount of time required to accomplish each phase.
7. Present your fee proposal for the 2019 audit, and provide for efficiencies for years 2020 and 2021 (if awarded), with whatever guarantees can be given regarding decreases in the fee schedule for the subsequent years. Include information on your policy regarding billing out of pocket expenses. If you anticipate billing extra for such expenses, please include an estimate of such expenses for each year.
8. Furnish standard billing rates for classes of professional personnel for 2019 and your commitment regarding billing rate increases for the 2020 and 2021 work.
9. If you are selected, please describe your plans to transition the work from the predecessor firm and whether your firm is willing to absorb any “startup” costs associated with the transition.
10. Provide three references for other, similarly sized clients of the partner and of the manager. Reference information should include organization name and full address, the contact name position within the organization, telephone number and email address.
11. Provide a summary of the tasks to be performed by Capital Area Community Action staff with respect to preparation of summaries, search for documents, and any other tasks necessary to expedite completion.
12. Describe how and why your firm is different from other firms being considered, and why our selection of your firm as our independent auditor is the best decision we can make.
13. Include a copy of your firm’s most recent peer review report, the related letter of comments, and the firm’s response to the letter of comments.

**Evaluation of Proposals**

Capital Area Community Action Agency’s Audit Committee of the Board of Directors will evaluate proposals on a qualitative basis. This includes our review of the firm’s peer review report and related materials, interviews with senior engagement personnel to be assigned to our audits, results of discussions with your other clients, and the firm’s completeness and timeliness in its responses to us. We may select up to three firms as finalists and invite them for a presentation to the Audit Committee. Based on the recommendation made by the Audit Committee to the Capital Area Community Action Board of Directors, the CPA firm will be chosen for the audits and tax returns engagement. Your ability to be concise would be greatly appreciated.

Requests for additional information, visits to our site, review of prior financial statements and tax returns, or appointments with any of the above may be coordinated through Margaret Watson, 850-222-2043 ext. 101. If you choose to respond to this request, please send seven (7) copies of your proposal and all related correspondence, marked Personal and Confidential, via U.S. Mail or courier to the attention of Keith Dean, CPA at our address or provide in a PDF format to [keith.dean@cacaainc.org](mailto:keith.dean@cacaainc.org). The deadline to receive your information for consideration is by 5:00 p.m. Eastern Time on Monday, October 21, 2019.