Request for Proposal for Audit Services

Overview:

National Community Action Partnership (NCAP) is a national, 501(c)3 nonprofit membership organization that provides technical assistance, training, and other resources to Community Action Agencies, nonprofit and public groups funded by the Community Services Block Grant (CSBG), Head Start, Weatherization Assistance and various other federal programs.

The nation's Community Action Agencies embody our nation's spirit of hope, change people's lives, and improve communities. When national, state and local leaders tap into these agencies' experience, they can promote workable solutions that connect more families to opportunity – and make America a better place to live for everyone.

The tools and resources provided to Community Action Agencies across the country by NCAP allow our Agencies to stay up to date on the latest best practices to empower individuals, families, and communities to succeed.

NCAP has 19 staff members and an operating budget of approximately $6.6 Million; its revenue sources include federal & foundation grants, membership dues and event regisratons/sponsorships.

NCAP's financial statements are prepared on the accrual basis of accounting and in conformity with generally accepted accounting principles (GAAP). The organization's accounting and finance needs are outsourced to Marcum LLP with oversight by and coordination with NCAP's Chief Executive Officer, Senior Vice President, and project/program directors.

The organization utilizes the Sage Intacct accounting system, BILL for accounts payable, and Nexonia for credit card and expense management. NCAP's outsourced accountants will prepare all audit schedules and will make them available to the auditors in BlackLine.

The audit process is overseen by the Internal Operations Committee of the Board of Directors.

Scope of Work:

The scope of services to be addressed in your proposal is the financial statement and single audits of of NCAP for the years ending December 31, 2023, 2024 and 2025.

Tentative Audit Timeline:

December 31, 2023	Fiscal Year End
Late February 2024	Preliminary financial reports available to auditors
Early March 2024	Complete PBC audit schedules
Mid-March 2024	Fieldwork time frame
Late April 2024	Issue draft audited financial statements
Mid-May 2024	Presentation of audited statements to the Internal Operations Committee

Your Response to This Request for Proposal

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

1. Describe how your firm will approach the audit of the organization, including the areas that will receive primary emphasis.
2. Discuss the firm's use of technology in the audit.
3. Detail your firm's experience in providing auditing services to comparable organizations in the not-for-profit industry. Specific experience with single audits is particularly relevant.
4. Discuss the firm's independence with respect to NCAP.
5. Discuss your firm's commitment to diversity, equity and belonging and how it is evidenced in your business practices.
6. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
7. Identify the partner, manager and staff who will be assigned to the audit if you are successful in your bid, and provide biographies to include number of years of experience, years of tenure with your firm and CPA status.
8. Detail the number of anticipated hours at each staff level and the hourly rate for each staff represented by the scope.
9. Discuss the communication process used by the firm to discuss issues with management and the Internal Operations Committee of the Board.
10. Describe the level of periodic consultation with staff during and after the audit engagement.
11. Describe your firm's policy and procedures for notifying an organization's officials of suspected illegal acts and malfeasance.
12. Set forth your fee proposal for the 2023, 2024 and 2025 audits, with any guarantees that can be given regarding future years' fee increases as well as:
    a. Estimates of out-of-pocket costs and a description of what is included.
    b. Method of billing to NCAP and payment terms.
    c. Your firm's policy on handling potential cost-overruns.
    d. Your firm's policy on providing pro bono services.
    e. If your proposal includes optional services, provide a separate fee estimate.
13. Provide the names and contact information for other similarly sized clients of the partner and manager that will be assigned to the organization for reference purposes.
14. Describe how and why your firm is different from other firms being considered, and why the selection of your firm as NCAP's auditors is the best decision.
15. Include a copy of your firm's most recent peer review report.

The Fiscal team will provide two "office hours" for questions & requests for additional information. For purposes of maintaining an equal field for all potential firms, we request that all questions be asked during one of these two sessions. A list of the questions and answers will be posted to NCAP's website at www.communityactionpartnership.com by Wednesday, September 20th:

- **Wed, Sept 13th from 10:00 to 11:00am**:
- https://marcumllp.zoom.us/j/88527484166?pwd=blhxMWtXc2kwNnlTekpGbkJXSzdDdz09
- **Mon, Sept 18th from 2:00 to 3:00pm:**
- https://marcumllp.zoom.us/j/82353537861?pwd=NXdybjkxTXp1LysvVjlSUTMyWmNVUT09

Evaluation of Proposals

Proposals should be emailed in PDF format to the NCAP Fiscal & Administrative teams at fiscal@communityactionpartnership.com and proposal@communityactionpartnership.com and must be received by 5:00 PM on Friday, September 29, 2023. Firms selected for interviews will be contacted by Friday, October 6th & Interviews for Finalists will be conducted in mid-October.

NCAP reserves the right, where it may serve the organization's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. It is anticipated that the selection of a firm will be completed by late October 2023 with an engagement letter executed shortly thereafter.

A three (3) year contract with annual renewals is contemplated, subject to satisfactory negotiation of terms and the annual concurrence of the Internal Operations Committee of the Board of Directors.

NCAP will evaluate proposals on a qualitative basis. This includes a review of the firm's peer review report and related materials, interviews with senior engagement personnel to be assigned to the organization, results of discussions with other clients, and the firm's completeness and timeliness in its response to us. NCAP reserves the right to reject any and all proposals received.

We would also appreciate a response if you opt to decline to submit a proposal.