

**New Opportunities
PO Box 427
23751 HIGHWAY 30
Carroll, IA 51401**

**Uniform Guidance Request for
Proposal for Audit Services
For the Period**

October 1, 2017 to September 30, 2018

Inquires and Proposals should be directed to:

Sheri Mertz, Chief Financial Officer
New Opportunities, Inc.
23751 Highway 30
P.O. Box 427
Carroll, IA 51401
(712) 792-9266 Ext 701
smertz@newopp.org

Proposal Guidelines

Table of Contents

I.	General Information	Page
A.	Purpose.....	3
B.	Who May Respond	3
C.	Instructions on Proposal Submission.....	3
	1. Closing Submission Date	
	2. Inquiries	
	3. Conditions of Proposal	
	4. Instructions to Prospective Contractors	
	5. Right to Reject	
	6. Small and/or Minority-Owned Businesses	
	7. Notification of Award	
D.	Description of Entity and Records to be Audited.....	5
E.	Options.....	5
II.	Specification Schedule	
A.	Scope of a Financial and Compliance Audit	5
B.	Description of Program/Contracts/Grants.....	5
C.	Performance.....	5
D.	Delivery Schedule.....	6
E.	Price.....	6
F.	Payment.....	6
G.	Audit Review	7
H.	Exit Conference	7
I.	Workpapers.....	7
J.	Confidentiality.....	7
K.	AICPA Professional Standards.....	8
III.	Offeror’s Technical Qualifications	
A.	Prior Auditing Experience.....	8
B.	Organization, Size and Structure.....	9
C.	Staff Qualifications	9
D.	Understanding of Work to be Performed.....	9
E.	Certifications.....	9
IV.	Proposal Evaluation	
A.	Submission of Proposals.....	10
B.	Nonresponsive Proposals.....	10
C.	Proposal Evaluation.....	11
D.	Review Process	12
V.	Certifications.....	13

I. General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending September 30, 2018. As well as preparation of the Agency's 990 for the year ended September 30, 2018. The proposal includes options for four additional years.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date:

Proposal must be submitted no later than 4:30 p.m. on July 31, 2018.

2. Inquiries:

Inquiries concerning this RFP should be directed to the CFO, Sheri Mertz at smertz@newopp.org.

3. 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 New Opportunities.

4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Sheri Mertz, Chief Financial Officer
New Opportunities
PO Box 427
23751 Highway 30
Carroll, IA 51401

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., July 31, 2018
SEALED PROPOSAL
For Audit Services

Electronic Submissions:

Proposals can be submitted electronically to the following email address: smertz@newopp.org by the closing submission date noted above. Subject Line must State RFP 4:30 p.m., July 31, 2018 SEALED PROPOSAL For Audit Services.

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to ensure that the proposal is received by New Opportunities by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject:

New Opportunities 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 New Opportunities 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).

7. Notification of Award:

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.

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.

D. Description of Entity and Records to Be Audited

New Opportunities is a nonprofit organization which serves 7 counties in Iowa (Audubon, Calhoun, Carroll, Dallas, Greene, Guthrie and Sac). New Opportunities 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 21-member volunteer Board of Directors. Administrative office and all records are located at 23751 Highway 30, Carroll, IA 51401. Other offices are located throughout the area served. For additional information the Annual report and Audit is available at www.newopp.org.

E. Options

At the discretion of New Opportunities, this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed on by New Opportunities and the Offeror. It is anticipated that the cost for the optional years will be based on the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

II. Specification Schedule

A. Scope of 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 New Opportunities.

B. Description of Program/Contracts/Grants

The FY17 Annual report and Audit is available at www.newopp.org.

C. Performance

New Opportunities' records should be audited through September 30, 2018.

The Offeror is required to prepare audit reports in accordance with the *Government Audit Standard*.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to New Opportunities' Executive Director. The draft audit report is due on January 15, 2019.

Offeror shall deliver 30 final audit reports printed and bound no later than January 31, 2019 to the New Opportunities Board of Directors. Offeror shall present the final audit report at the February New Opportunities Board of Directors meeting.

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, New Opportunities 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. The Offeror will provide New Opportunities a full copy of the audit in a PDF format.

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. New Opportunities reserves the right to negotiate with any Offeror.

F. Payment

Payment will be made when New Opportunities has determined that the total work effort has been satisfactorily completed. Should New Opportunities reject a report, New Opportunities' authorized representative will notify the Offeror in writing of such rejection detailing 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 New Opportunities can determine that satisfactory progress is being made.

Upon delivery of the 30 copies of the final reports to New Opportunities 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 New Opportunities and its funding sources to ensure compliance with General Accounting Office's (GAO) *Government Audit Standards* and other appropriate audit guides.

H. Exit Conference

An exit conference with New Opportunities' 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 New Opportunities. 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 three years from the completion of the audit.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office and New Opportunities.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to New Opportunities, 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, New Opportunities' 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 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/she 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.

III. 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 the following categories:

1. Prior experience auditing Community Action Agencies.
2. Prior experience auditing private nonprofit organizations.
3. Prior experience auditing similar programs funded by the State of Iowa.
4. Prior experience auditing similar Federally funded programs.
5. Prior experience auditing similar county or local government activities.

B. 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 or minority-owned business or women's business enterprise

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. Include résumés of only the staff to be assigned to the audits. Include education, position in firm, years with the firm, industry-specific experience, and training on the recent Uniform Guidance.

D. Audit Approach to the Engagement

The Offeror should describe its approach of work to be performed, including audit procedures, estimated hours and other pertinent information.

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

IV. Proposal Evaluation

A. Submission of Proposals

If submitted by hard copy, all proposals shall include two copies of the Offeror's technical qualifications, two copies of the pricing information (in a separate, sealed envelope), and two copies of the signed Certifications. These documents will become part of the contract.

If submitting electronically email to smertz@newopp.org Ensure subject line of email states RFP 4:30 p.m, July 31, 2018 SEALED PROPOSAL For Audit Services. Please include separate attachments labeled as 1) Offeror's Technical Qualifications 2) Pricing Information and 3) Signed Certifications.

It is the responsibility of the Offeror to ensure that the proposal is received by New Opportunities by the date and time specified above.

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 Auditing Standards* of the U.S. Comptroller General.

C. Proposal Evaluation

Evaluation of each proposal will be scored on the following factors. In compliance with 2 CFR Part 200.319:

Factors	Point Range
1. Prior experience auditing and/or designing and installing accounting systems.	
a. Prior experience auditing 501 (c)(3)	0-10
b. Prior experience auditing similar programs funded by the State of Iowa.	0-10
c. Prior experience auditing Federally funded programs	0-10
New Opportunities may contact previously audited organizations to verify the experience provided by the Offeror.	
2. Organization, size and structure of Offeror's firm.	
a. Adequate size of the firm	0-2
b. Proper Independence	0-2
c. No Conflicts of Interest	0-2
d. Results of Peer Review	0-2
e. Minority-owned/small business/women's business	0-2
3. Qualifications of staff to be assigned to the audits to be performed. This will be determined from resumes submitted. Education, position in firm, years and types of experience.	
a. Prior experience of the individual audit team members	0-10
b. Overall supervision to be exercised	0-10
4. Offeror's understanding of work to be performed.	
a. Adequate coverage	0-10
b. Realistic time estimates of each audit step	0-10
5. Price	<u>0-20</u>
Maximum Points:	<u>100</u>

D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 – Competition, New Opportunities 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.

New Opportunities may, at its discretion, request presentations by or meetings with any or all Offerors, to clarify or negotiate modifications to the Offerors' proposals.

However, New Opportunities 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.

V. 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'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)

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 10 CFR Part 600, DOE's administrative requirements, and 10 CFR Part 400, DOE's weatherization program requirements.

11. The individual signing certifies that he/she has read and understands all of 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)