

Ohio Valley Opportunities, Inc.
Request for Proposal (RFP)
Independent Auditor

To Whom It May Concern:

Ohio Valley Opportunities, Inc. (OVO), a 501(c)(3) non-profit organization, is requesting proposals from certified public accounting firms to service our accounting needs for the fiscal year ending December 31, 2015, with the option of two (2) additional fiscal years. We require accounting services as follows:

- Audit of the financial statements for the fiscal year ending December 31.
- Preparation of the related management letter.
- Electronic filing of the Data Collection Form.
- Presentation of the results of the audit and the management letter at the board's Finance Committee meeting each year.
- Preparation of IRS Form 990.
- Consultation on financial, operational and limited tax matters related to the organization as required annually.

In addition to the audit of the financial statements and meetings with management and the Finance Committee, we also require approximately twenty (20) hours of partner and manager time for consultation with management throughout the year.

Specific questions to which we ask your response are listed in Exhibit I. Please note that your proposal fees should be for a three (3) year period, beginning December 31, 2015, broken out by each year, and should be based on the services outlined above.

In an effort to minimize the time required for you to prepare your proposal, we have enclosed the following background information for your consideration:

Exhibit I	Requirements
Exhibit II	Time Table and Deliverables Exhibit
Exhibit III	Scope of Operations

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Four copies of your written proposal are due in our office by December 31, 2015. Once a final decision has been made, you will be notified of the selection no later than February 12, 2016.

OVO reserves the right to reject any or all proposals submitted and to make the award where it appears it will be in the best interest of OVO.

Thank you in advance for your interest in our account. Please do not hesitate to e-mail me at bbivens@ovoinc.org if there are any general questions in regard to this request for proposal.

Sincerely,

Brandi Bivens
Chief Financial Officer

Requirements for Prospective Accounting Firm

Profile of Firm:

1. Describe the Firm on an overall basis, both locally and nationally.
2. Summarize the Firm's qualifications regarding nonprofit organizations from an audit and tax perspective.
3. Give the Firm's present complement of personnel by specialty, division, and employment classification.
4. Describe your local audit staff turnover experience within the past three years and how you would provide continuity of assigned personnel on this engagement.
5. Describe the overall results of your Firm's most recent peer review.

Quality of Audit:

1. Describe the Firm's audit approach, including review of internal controls.
2. Describe how your Firm will obtain a basic understanding of Ohio Valley Opportunities, Inc.'s (OVO) operations and activities for planning the audit.
3. Describe the local office's experience on dealing with other nonprofit clients similar to OVO.
4. Describe the key personnel to be utilized on the engagement along with resumes of key personnel. Indicate their degree of expertise and prior experience, which would be appropriate for the engagement.
5. Describe your Firm's staff training (i.e. OMB Uniform Guidance) and development policies and programs.

Other Requested Information:

1. Describe procedures utilized to monitor the progress of the work for periodic evaluation and communication to management of OVO so that problems can be resolved.
2. Identify key local engagement personnel who will be continuously available for consultation or discussion.
3. Describe any relationships with OVO and/or your existing clients which might jeopardize your objectivity or independence.
4. Estimate total fees and hours by employment classification and out-of-pocket cost annually **for each of three years**, given the services required as outlined in the attached letter.
5. Estimate the "first time through" hours, which would be required of your Firm and our staff.
6. Estimate the "internal control review" hours, which your Firm is committed to provide to our staff.
7. Provide three (3) client references for your Firm.
8. Provide local non-profit client references.
9. Provide any other information you deem desirable.

EXHIBIT II

Time Tables:

Submission of Proposals	December 31, 2015
Ohio Valley Opportunities, Inc. Attn: Elaina Freeman, Executive Director 421 Walnut Street, P.O. Box 625 Madison, IN 47250	
Selection of Firm	February 12, 2016
Contract Execution	February 26, 2016
Completion of Audit	September 30, 2015

Deliverables:

1. Audited financial statements of OVO for fiscal year ending December 31. A minimum of twenty (20) copies of each audit report is required.
2. Management letter comments, if any.
3. Electronic filing of the Data Collection Form.
4. Finance Committee and Board of Directors presentation of the results of the audit and the management letter.
5. Preparation of IRS Form 990.

Other Consultation Services:

Financial, operational, and limited tax consultation will be required annually on matters related to management. These services are expected to be included in your base fee for services which are expected to require approximately twenty (20) additional hours annually from a partner or manager.

Scope of Operations

Ohio Valley Opportunities, Inc. (OVO) is a private, non-profit 501(c)(3) agency delivering need-based human services to the economically challenged In Jefferson, Jennings, and Scott counties since 1965, and is recognized as a Community Action Agency.

There are 15 directors on OVO's tri-partite board, evenly split among the public, private and resident sectors. The board meets monthly.

There are approximately 75 staff members at OVO.

Total annual revenue is approximately \$6,000,000, derived largely from federal and state grants.

The majority of OVO's revenue is used in support of state and federally funded programs and services. OVO's largest program is Head Start, a federally funded program that promotes the school readiness of children ages 3 to 5. Other major federal programs may include Community Services Block Grant, Energy Assistance Program, Weatherization Assistance Program, Housing Choice Voucher Program, and Child and Adult Care Food Program. Affordable housing audits may be combined.

Fiscal, administrative, and program records are kept at OVO's administrative office at 421 Walnut Street, Madison, IN.

OVO uses Grants Management System (GMS) accounting software and payroll is processed internally.

General Information

A. Purpose: This Request for Proposal (RFP) is to contract for a financial and compliance audit for the year ending December 31, 2015. The proposal includes options for two additional years.

B. Who May Respond: Only licensed Certified Public Accountants may respond to this RFP.

C. Instructions on Proposal Submission

- a. Closing Submission Date: Proposals must be submitted no later than 4:00 p.m. on December 31, 2015
- b. Inquiries: Inquiries concerning this RFP should be directed to Brandi Bivens at 812.265.5858 or bbivens@ovovinc.org
- c. Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offerer and will not be reimbursed by Ohio Valley Opportunities (hereinafter referred to as OVO).

Instructions to Prospective Contractors: Your proposal should be addressed as follows:

Elaina Freeman, Executive Director
Ohio Valley Opportunities
421 Walnut Street, P.O. Box 625
Madison, IN 47250

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

D. Right to Reject: OVO 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.

E. Small and/or Minority-Owned Businesses: Efforts will be made by OVO to utilize small businesses and minority-owned businesses. An Offerer 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).

F. Notification of Award:

1. 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.
2. Upon conclusion of final negotiations with the successful audit firm, all Offerers submitting proposals in response to this Request for Proposal will be informed, in writing, of the name of the successful audit firm.

G. Prior years Audited Statements: Will be supplied with the RFP.

H. Options: At the discretion of OVO, this audit contract can be extended for two additional one-year periods. The cost for the option periods will be agreed upon by OVO and the Offerer. It is

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anticipated that the cost for the optional years will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

- I. Specification Schedule:** Reports may be submitted earlier than the above schedule. However, if the Offerer fails to make delivery of the audit reports within the time schedule specified herein, or if the Offerer delivers audit reports which do not conform to all of the provisions of this contract, OVO may, by written notice of default to the Offerer, 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 Offerer with sufficient justification.
- J. Payment:** Payment will be made when OVO has determined that the total work effort has been satisfactorily completed. Should OVO reject a report, OVO's authorized representative will notify the Offerer 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 Offerer submits the final invoice for payment. Progress payments will be allowed to the extent that OVO can determine that satisfactory progress is being made. Upon delivery of the 20 copies of the final reports to OVO and their acceptance and approval, the Offerer may submit a bill for the balance due on the contract for the audit.
- K. Audit Review:** All audit reports prepared under this contract will be reviewed by OVO and its funding sources to ensure compliance with General Accounting Office's (GAO) Government Audit Standards and other appropriate audit guides.
- L. Workpapers:** Upon request, the Offerer will provide a copy of the work papers 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. The work papers will be retained for at least three years from the end of the audit period. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and OVO.
- M. Confidentiality:** The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to OVO, the Offerer 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 Offerer's staff who must have the information on a "need-to-know" basis. The Offerer agrees to immediately notify, in writing, OVO's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.
- N. 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.

O. Proposal Evaluation: Evaluation of each proposal will be scored on the following five factors:

- | | Point Range |
|---|-------------|
| 1. Prior audit experience. | |
| ▪ Auditing Community Action Agencies..... | 0-10 |
| ▪ Auditing similar programs funded by Indiana..... | 0-5 |
| ▪ Auditing similar programs funded by Federal govt..... | 0-5 |
| ▪ Auditing nonprofit organizations..... | 0-5 |
| <p>OVO will contact prior audited organizations to verify the experience provided by the Offerer.</p> | |
| 2. Organization, size, and structure of Offeror's firm. (Consider size in relation to audits to be performed.) | |
| ▪ Adequate size of the firm..... | 0-5 |
| ▪ Minority/small business..... | 0-5 |
| 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, continuing professional education, and state(s) in which licensed as a CPA, etc. will be considered. | |
| ▪ Audit team makeup..... | 0-10 |
| ▪ Overall supervision to be exercised..... | 0-5 |
| ▪ Prior experience of the individual audit team members..... | 0-10 |
| 4. Offerer's understanding of work to be performed. | |
| ▪ Adequate coverage..... | 0-10 |
| ▪ Realistic time estimates of each audit step..... | 0-5 |
| 5. Price..... | 0-25 |

Maximum Points 100

P. Review Process: OVO may, at its discretion, request presentations by or meetings with any or all Offerers, to clarify or negotiate modifications to the Offerers' proposals. However, OVO 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 Offerer can propose. OVO contemplates award of the contract to the responsible Offerer with the highest total points.

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Q. Certifications: On behalf of the Offeror:

- The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
- 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.
- 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.
- 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.
- The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
- 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*).
- The individual signing certifies that the Offeror meets the independence standards of the *Government Auditing Standards*.
- 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 of education will be in subjects directly related to the government environment and to government auditing for individuals.
- 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.
- 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.
- The individual signing certifies that the Offerer, 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 Offerer 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_____.

(Offerer's Firm Name)

(Signature of Offerer's Representative)

(Printed Name and Title of Individual Signing)