



Community Family Centers

Centros Familiares de la Comunidad

REQUEST FOR PROPOSAL FY 2023-2027 Annual Financial and Compliance Audit

The Community Family Centers, Inc. (“CFC”) is accepting proposals from public accounting firms with experience performing audits of not-for-profit organizations (or “non-profit organizations”).

Background of Community Family Centers

Community Family Centers (“CFC”) is a 501(c)(3) non-profit organization providing educational and community services to the Greater East End since 1973. CFC employs just over 50 people at two locations. Annual revenues are roughly \$6 million per year, of which \$3 million is in-kind contributions and over \$1.5 million is in the form of government grants. CFC’s revenue comes from the United Way, government grants, private foundations, general donations, fundraising events, in-kind, and program fees. CFC has a December 31 fiscal year-end, with a requirement to file the audited financial statements by May 31st as mandated by our by-laws.

Services to be Performed

Your proposal is expected to cover the following services:

1. Annual financial statements audit.
2. CFC is subject to the Uniform Guidance for Federal Awards.
3. Tax (Form 990) filings for CFC.

Annual Financial and Compliance Audits

The audit will encompass a financial and compliance examination of CFC’s basic financial statements, supplementary information, and compliance reports, in accordance with the laws and/or regulations of the State of Texas, which require the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards, the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, the provisions of OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards published in Federal Register December 2014, the State Single Audit Implementation Act, and all other applicable laws and regulations.

Period

CFC intends to continue the relationship with the Auditor for no less than three years based on performance. CFC reserves the right to request proposals at any time following the first year of this contract, should the Auditor not meet the terms of the contract.

January 1, 2023 to December 31, 2023

January 1, 2024 to December 31, 2024

January 1, 2025 to December 31, 2025



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CFC reserves the right to extend the contract for two additional years.

January 1, 2026 to December 31, 2026

January 1, 2027 to December 31, 2027

Requirements

The Auditor will be responsible for the preparation, typing, proofing, printing, and copying of the basic financial Statements, supplementary information, and compliance reports. The Auditor will submit a draft of the financial statements to be reviewed in detail to CFC. This draft should be submitted in time to allow ample review and corrections.

CFC will expect a listing of requested information needed for the audit from the selected firm during the post selection preplanning conference. Updates to that list will be made during periodic conferences held while the audit is being conducted.

The working papers shall be retained and made available upon request for no less than three years from the date of the audit report.

If circumstances arise during the audit that require work to be performed more than the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by CFC.

Annual Financial and Compliance Audit Specific Requirements

A preliminary draft of the financial statements must be submitted to CFC for proofing and reconciliation to CFC's records. The final audit reports are due to CFC no later than a week before May 31st.

An electronic version and ten (10) hard copies of each audit report, and other applicable reports must be supplied to the CFC's finance department within the period cited above. In addition, the Auditor is responsible for completion of the Data Collection Form.

Other Services

A presentation to the CFC Board of Directors and Finance/Audit Committee is required and will be scheduled.



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Submission of Responses

All questions and correspondence should be directed to Minnie Cariaga Cabrillas, Director of Finance, at mcariaga@communityfamilycenters.org by November 17th, 2023.

The 2022 Audited Financial Statements and 2022 IRS Form 990 will be provided upon request.

The following requirements must be observed in the preparation and submission of a proposal:

1. Firms submitting a proposal should not contact members of CFC's Board of Directors, CFC's Finance Committee, and other CFC staff. Any contact would be grounds for elimination from consideration.
2. The entire proposal must not exceed 20 pages, exclusive of a cover letter and exhibits.
3. Submissions must be sent electronically (not to exceed 25 MB) to Jennifer Vasquez at jevasquez@communityfamilycenters.org no later than 4:00 pm on November 30th, 2023.
4. Responses must include a cover letter signed by an individual authorized to enter into an agreement with CFC on behalf of the firm, which shall specify the firm is responding to this RFP.

CFC reserves the right to:

- a. Reject all proposals received in response to this request,
- b. Modify the proposed Scope of Services at its discretion,
- c. Negotiate the fees contained in any proposal,
- d. Waive or modify any irregularities in proposals received,
- e. Award contracts in any manner necessary to serve the best interests of CFC, without obligation to accept a proposal based upon the lowest fee schedule, and
- f. Request additional information as determined necessary or request some or all firms responding to make oral presentations.

Your Response to this Request for Proposal

In responding to this request, CFC requests the following information:

1. Provide details of your firm's experience in providing auditing and tax services to non-profit organizations, as well as organizations of comparable size to CFC.



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2. Discuss the firm's independence with respect to CFC.
3. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
4. Identify the three largest non-profit clients your firm has lost in the last three years and the reasons.
5. Identify the partner, manager, and in-charge auditor who will be assigned to our job if you are successful in your bid and provide resumes. Indicate any complaints against them that have been leveled by the State Board of Accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these individuals.
6. A detailed audit plan, including a recommended timeline, explanation of deliverables, amount of time required from the organization, and whether the audit will be conducted onsite or remotely.
7. Describe how your firm will approach the audit of the organization, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also, discuss the communication process used by the firm to discuss issues with Management and the Finance Committee of the Board.
8. Set forth your fee proposal for the 2023 audit, with whatever guarantees can be given regarding increases in future years. Also, provide your proposed fee for the required tax preparation.
9. Provide the names and contact information of other similar sized clients of the partner and manager that will be assigned to our organization for reference purposes.
10. 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.
11. Include a sample copy of "Requested Item Needs List/Audit Matrix Request Items" that you will ask for CFC to complete prior to your fieldwork in 2024.
12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
13. Specify the cost for each audit year beginning with the audit ending December 31, 2023. The costs for year one (year ending December 31, 2023) through year three (year ending December 31, 2025) are binding, while the costs for year four (year ending December 31, 2026) and year five (year ending December 31, 2027) are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a "not-to-exceed" amount.
 - A. Personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour:
 - Estimated hours – Categorize estimated hours into the following: on-site work and work performed in the Auditor's office.
 - Rate per hour.
 - Total cost for each category of personnel and a grand total for all personnel costs.
 - B. Other costs – Completely identify and itemize.



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14. Describe how and why your firm is different from other firms being considered, and why our selection of your firm as our external auditor is the best decision we can make.
15. Please make CFC aware of any of the following ownership status of the firm by providing copies of certifications that would indicate that you are:
 - Minority owned
 - Female owned
 - Locally owned

Evaluation of Proposals

CFC 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 organization, results of discussions with other clients, and the firm's completeness and timeliness in its response to us.

Time Schedule

We would also appreciate a response if you declined to submit a proposal. If you wish to participate, please submit your proposal by November 30th, 2023.

Evaluation Criteria

Firms will generally be evaluated based on their response to this RFP, additional written information requested by CFC, oral interviews, if any, and references will be checked against the following criteria:

1. Experience of the firm in performing the services as demonstrated through. Direct relevant experience with preference given to firms with Uniform Guidance auditing experience, not-for-profit auditing experience and other governmental auditing experience.	40%
2. Qualifications of personnel including experience and availability of the parties to provide services.	25%
3. Financial capability to provide the requested services and overall financial stability.	10%
4. Competitiveness of proposed cost.	15%