



## **Request for Proposal**

### *Audit & Tax Services*

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#### **INQUIRIES AND PROPOSALS SHOULD BE DIRECTED TO:**

Name: Maureen Fleet  
Title: Vice President for Finance  
Entity: EightCAP, Inc.  
Address: 5827 Orleans Rd  
Orleans, MI 48865-8603  
Phone: (616) 236-1040  
Fax: (616) 754-9310  
Email: [maureenf@8cap.org](mailto:maureenf@8cap.org)

**I. GENERAL INFORMATION**

**A. Purpose**

This Request for Proposal (RFP) is to contract for a financial and compliance audit as well as tax services to complete the annual IRS 990 tax form of EightCAP, Inc., hereinafter referred to as “EightCAP,” for the year ended September 30, 2024.

**B. Who May Respond**

Only licensed Certified Public Accountants may respond to this RFP. Those firms responding to this RFP are, hereafter, referred to as “Offerors.”

**C. Instructions on Proposal Submission**

1. Closing Submission Date

Proposals must be submitted no later than 4:00 p.m. on Friday, April 26, 2024.

2. Inquiries

Inquiries concerning this RFP should be directed to Maureen Fleet at (616) 236-1040.

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 EightCAP.

4. Instructions to Prospective Contractors

Your proposal may be submitted by mail or email to:

Name: Maureen Fleet  
Title: Vice President for Finance  
Entity: EightCAP, Inc.  
Address: 5827 Orleans Rd  
Orleans, MI 48865-8603  
Fax: (616) 754-9310  
Email: [maureenf@8cap.org](mailto:maureenf@8cap.org)

It is the responsibility of the Offeror to ensure that the proposal is received by EightCAP by the date and time specified above. Late proposals will not be considered.

5. Right to Reject

EightCAP 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 Businesses, Minority Owned Businesses, Women Owned Businesses, and Labor Surplus Area Firms

Efforts will be made by EightCAP to utilize small businesses, minority and women owned businesses, and labor surplus area firms.

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).

See Department of Labor website ([www.dol.gov](http://www.dol.gov)) for a current listing of labor surplus areas.

7. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within four weeks of the closing date for the receipt of proposals. Upon conclusion of final negotiations with the successful Offeror, all Offerors submitting proposals in response to the RFP will be informed, in writing via email, of the name of the successful offeror.

8. Contract Period

It is expected that the contract shall be a three-year fixed-price contract with an option to extend for one additional two-year period.

**D. Description of Entity and Records to be Audited**

EightCAP, Inc., hereinafter referred to as EightCAP, is a community action agency serving Gratiot, Ionia, Isabella, and Montcalm counties in the State of Michigan with programming in other counties. EightCAP 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. The Agency’s fiscal year is October 1 through September 30.

The EightCAP administrative offices and all the accounting records are located at 5827 Orleans Rd, Orleans, Michigan.

The accounting records are maintained on a computerized fund accounting system and are kept according to generally accepted accounting principles.

The records to be audited are available for review by the Offerors prior to proposal submission with five (5) business days' advanced written notice. Such notice must be received by 4:00 p.m. on Friday, April 19, 2024.

**E. Options**

At the discretion of EightCAP, the audit contract can be extended for one additional two-year period. The cost for the option period will be agreed upon by EightCAP and the successful Offeror.

**II. SPECIFICATION SCHEDULE**

**A. Scope of a 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, to perform a financial and compliance audit of EightCAP and complete the Agency's annual IRS 990 tax form.

**B. Description of Programs/Contracts/Grants**

EightCAP is funded primarily by State and Federal grants. Please refer to Exhibit 1 for a detailed list of anticipated funding for the 2023-2024 fiscal year.

**C. Performance**

The first audit to be completed by the successful Offeror will be for EightCAP's fiscal year ending September 30, 2024.

The Offeror is required to prepare audit reports in accordance with the *Government Auditing Standards* as well as OMB 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

**D. Delivery Schedule**

The successful Offeror is to transmit one copy of the draft audit report to EightCAP's President and Vice President for Finance. Each draft audit report is due on January 31 of the year following the fiscal year to which the audit pertains.

The successful Offeror shall deliver 30 copies of the final audit report to the President of EightCAP no later than February 28 of the year following the fiscal year to which the audit pertains.

The successful Offeror must provide an in-person presentation of the final audit to (1) the Audit Committee of the EightCAP Governing Board, and (2) the EightCAP Governing Board. These meetings have historically occurred in March, but the date/time is subject to the discretion of the Audit Committee and Governing Board.

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 the contract, EightCAP may, by written notice of default to the Offeror, terminate the whole or any part of the contract. Under certain extenuating circumstances, the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

**E. Price**

The Offeror's proposed price should 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 incurred should also be indicated.

**F. Payment**

Payment will be made when EightCAP has determined that the total work effort has been satisfactorily completed. Should EightCAP reject a report, EightCAP's authorized representative will notify the successful Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of the contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that EightCAP can determine that satisfactory progress is being made.

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

**H. Exit Conference**

An exit conference with EightCAP representatives and the successful Offeror's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with EightCAP. It should include internal control and program compliance observations and recommendations.

**I. Workpapers**

1. Upon request, the successful 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 successful Offeror will retain all workpapers for at least three years from the end of the audit period.
3. The workpapers will be available for examination by authorized representatives of EightCAP's funding sources, the General Accounting Office, and EightCAP.

**J. Confidentiality**

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to EightCAP, 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, EightCAP's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

**K. AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (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 [ET section 501.01], unless the member discloses in his report the fact that such requirements were not followed and the reasons therefore.

EightCAP reserves the right to report any Offeror, whether successful or not, to the AICPA if EightCAP – in its sole discretion - suspects that a violation of the AICPA’s professional standards has occurred.

### **III. OFFEROR’S TECHNICAL QUALIFICATIONS**

The Offeror shall, at a minimum, include the following information in this proposal:

#### **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 similar programs funded by the State of Michigan.
3. Prior experience auditing similar programs funded by the Federal Government.
4. Prior experience auditing nonprofit organizations.

#### **B. Organization, Size and Structure**

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Indicate if applicable, if the firm is a small business, female owned business, minority owned business or labor surplus area firm. Offeror should include a copy of their most recent Peer Review.

#### **C. Staff Qualifications**

The Offeror should describe the qualifications of staff to be assigned to the audit. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members.

Only include resumes of staff to be assigned to the audit. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, and other relevant characteristics will be considered.

**D. Understanding of Work to be Performed**

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, and other pertinent information. Also provide the anticipated audit schedule necessary to ensure the timely filing of the Single Audit. Please include in your audit schedule if interim work would be necessary or recommended. Indicate the extent to which EightCAP staff will be expected to participate in the audit process, including the time commitments and information required. (Note: It is EightCAP's intent to prepare required information prior to the commencement of the audit.)

**E. Price**

Please indicate the proposed hours and fees, including time charges and other expenses. Your proposed fees may be a range but must stipulate a maximum amount.

**F. 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 EightCAP, because EightCAP desires to contract only with an Offeror who is already familiar with these publications.

**IV. PROPOSAL EVALUATION**

**A. 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 judgement by the reviewers that the proposed undertaking would comply with the *Government Auditing Standards* of the U.S. Comptroller General.

**B. Evaluation**



Evaluation of each proposal will be based on the following criteria:

<u>Factors</u>	<u>Point Range</u>
1. Prior experience auditing	
a. Prior experience auditing community action agencies .....	0-10
b. Prior experience auditing similar programs funded by the State of Michigan and the Federal Government.....	0-10
c. Prior experience auditing nonprofit organizations .....	0-5
2. Organization, size and structure of Offeror’s firm (Considering size in relation to audit to be performed.)	
a. Adequate size of the firm.....	0-5
b. Minority/Woman/Small/Labor Surplus area business .....	0-5
c. Peer review.....	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.	
a. Audit team makeup.....	0-10
b. Overall supervision to be exercised .....	0-5
c. Prior experience of the individual audit team members .....	0-10
4. Offeror’s understanding of work to be performed	
a. Adequate coverage.....	0-10
b. Realistic time estimates of each audit step .....	0-5
5. Price .....	<u>0-20</u>

Total Point Range ..... 0-100

**E. Review Process**

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

However, EightCAP 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.

EightCAP contemplates award of the contract to the responsible Offeror with the highest total points.

## CERTIFICATIONS

On behalf of the Offeror:

- A. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
- B. 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.
- C. 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.
- D. 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.
- E. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
- F. The individual signing certifies that the Offeror is a properly licensed certified public accountant.
- G. The individual signing certifies that the Offeror meets the independence standards of the *Government Auditing Standards*.
- H. 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.
- I. 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.
- J. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audit:
  - 1. Government Auditing Standards (Also known as the “Yellow Book”)
  - 2. OMB 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)
  - 3. Audits of Not-for-Profit Entities (AICPA Audit Guide)

4. Department of Health & Human Services Head Start regulations codified at 45 CFR Parts 1301-1305
  5. 45 CFR Part 75, Department of Health & Human Services Regulations
  6. 10 CFR Part 440, Department of Energy Weatherization Program Regulations
  7. 10 CFR Part 600, Financial Assistance Rules for Department of Energy
  8. Community Services Block Grant Act
- K. 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.
- L. 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 of AICPA professional standards, this information must be disclosed.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Offeror's Firm Name

\_\_\_\_\_  
Signature of Offeror's Representative

\_\_\_\_\_  
Printed Name and Title of Individual Signing

**EIGHTCAP, INC.**  
**Projected List of Funding**  
*October 1, 2023 to September 30, 2024*

Grant	CFDA Number	Funding Source	Grant Period		Grant Amount	Projected Expenditures 10/1/23-9/30/24
Community Services Block Grant	93.569	Michigan Department of Health & Human Services	10/1/2022	9/30/2024	866,805	348,807
Community Services Block Grant	93.569	Michigan Department of Health & Human Services	10/1/2023	9/30/2025	858,157	514,894
MDHHS Diaper Bank Program - TANF	93.558	Michigan Department of Health & Human Services	11/1/2023	9/30/2024	294,859	294,859
MDHHS Diaper Bank Program - Gen Fund Support	93.558	Michigan Department of Health & Human Services	11/1/2023	9/30/2024	117,647	117,647
MDHHS Water Affordability		Michigan Department of Health & Human Services	10/1/2023	9/30/2024	20,000	20,000
MDHHS Medical Vulnerability Level		Michigan Department of Health & Human Services	12/1/2023	9/30/2024	10,000	10,000
MDHHS Consolidated Re-Housing Program (CRH)		Michigan Department of Health & Human Services	10/1/2023	9/30/2024	412,318	412,318
Emergency Food & Shelter Progogram (EFSP) - Gratiot County	97.024	United Way	11/1/2021	12/31/2023	4,500	4,500
Emergency Food & Shelter Progogram (EFSP) - Montcalm County	97.024	United Way	11/1/2021	12/31/2023	5,557	5,557
Emergency Food & Shelter Progogram (EFSP) - Ionia County	97.024	United Way	11/1/2021	12/31/2023	2,027	207
Emergency Food & Shelter Progogram (EFSP) - Isabella County	97.024	United Way	11/1/2021	1/31/2024	17,500	17,500
Emergency Food & Shelter Progogram (EFSP) - Isabella County ARPA	97.024	United Way	11/1/2021	12/31/2023	30,000	30,000
Salvation Army (Emergency Shelter Program)	N/A	Salvation Army	10/1/2023	9/30/2024	180,000	180,000
MSHDA Coordinated Entry System Services	14.267	Michigan State Housing Development Authority	8/1/2023	7/31/2024	49,358	49,358
MSHDA Emergency Solutions Grant - (all 4 counties)	14.231	Michigan State Housing Development Authority	10/1/2023	9/30/2024	338,622	338,622
MSHDA Homeless Prevention Program (HPP)	14.239	Michigan State Housing Development Authority	5/30/2023	3/31/2024	55,100	55,100
MSHDA CRF COVID Emerg. Rental Asst (CERA2)	21.023	Michigan State Housing Development Authority	1/1/2022	3/31/2024	3,000,743	3,000,743
Community Service Discretionary Fund	N/A	Various	10/1/2023	9/30/2024	-	3,473
Montcalm Food Drive	N/A	Various	10/1/2023	9/30/2024	-	25,090
Isabella County Ministerial Association	N/A	Various	10/1/2023	9/30/2024	-	1,895
Greenville Optimist Camp for People with Disabilities	N/A	Various	10/1/2023	9/30/2024	78,253	44,081
Court Appointed Special Advocate (CASA)	N/A	Various	10/1/2023	9/30/2024	179,678	186,512
Walk for Warmth	N/A	Various	10/1/2023	9/30/2024	-	48,793
HUD Permanent Housing - Rapid Re-Housing	14.267	U.S. Department of Housing and Urban Development	10/1/2023	9/30/2024	130,340	130,340
HUD CofC Program - PSH Dedicated+ - Isabella	14.267	U.S. Department of Housing and Urban Development	10/1/2023	9/30/2024	105,504	105,504
HUD CofC Program - PSH Dedicated+ - Ionia	14.267	U.S. Department of Housing and Urban Development	10/1/2023	9/30/2024	408,306	408,306
Veterans Support Fund	N/A	Various	10/1/2023	9/30/2024	-	4,068
Supportive Services for Veteran Families (SSVF)	64.033	Mid-Michigan Community Action Agency	4/1/2023	12/31/2023	190,000	190,000
Threshold Academy Scholarship Fund	N/A	Greenville Area Community Foundation	10/1/2023	9/30/2024	-	59
Supportive Services for Veteran Families (SSVF) - Shallow Subsidy	64.033	Mid-Michigan Community Action Agency	10/1/2023	3/31/2024	190,000	190,000
Foster Grandparent Program - AASA	N/A	Aging and Adult Services Agency	10/1/2023	9/30/2024	180,297	180,297
Foster Grandparent - Local Cash	N/A	Various	10/1/2023	9/30/2024	-	2,370
Foster Grandparent Program - CNS	94.011	Corporation for National and Community Service	7/1/2023	6/30/2024	224,873	224,873
Senior Companion Program - AASA	N/A	Aging and Adult Services Agency	10/1/2023	9/30/2024	84,734	84,734
Senior Companion Program - Local Cash	N/A	Various	10/1/2023	9/30/2024	-	372
Senior Companion Program - CNS	94.016	Corporation for National and Community Service	7/1/2023	6/30/2024	97,842	97,842
Weatherization DOE - (DOE2-23 & DOE1-23)	81.042	Michigan Department of Health & Human Services	7/1/2023	6/30/2024	622,772	233,661
Weatherization Deferral Reduction	N/A	Michigan Department of Health & Human Services	10/1/2023	9/30/2024	825,251	825,251
Weatherization Bipartisan Infrastructure Law (BIL)	81.042	Michigan Department of Health & Human Services	10/1/2023	9/30/2024	1,250,493	1,250,493
Weatherization LIHEAP	93.568	Michigan Department of Health & Human Services	10/1/2023	9/30/2024	198,060	198,060
Weatherization Energy Optimization Program	N/A	Various	10/1/2023	9/30/2024	-	31,864
Head Start - (1-G054122)	93.600	U.S. Department of Health and Human Services	1/1/2024	12/31/2024	11,451,228	11,451,228