

# Greater Erie Community Action Committee

Request for Proposal

For audit services

For the period

*10/01/24 to 09/30/25*

Inquiries and proposals should be directed to:

Name: Christina Marie Kessler

Title: Chief Finance Officer

Entity: Greater Erie Community Action Committee

Address: 18 West 9<sup>th</sup> Street  
Erie, PA. 16501

Phone: 814-870-5403

Email: ckessler@gecac.org

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## General Information

### A. Purpose

This Request for Proposal (RFP) is to contract for a Single and financial/compliance audit for the year ending September 30, 2025. Also included is the completion of the agency's IRS Form 990. This proposal includes renewal options for an additional four years.

### B. Who May Respond (i.e. Offeror)

Only licensed Certified Public Accountants (CPA) who comply with the General Accounting Office (GAO) educational requirements may respond to this RFP.

### C. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on September 23, 2025.
2. Inquiries: Inquiries concerning this RFP should be directed to Christina Marie Kessler, Chief Finance Officer, via email at [ckessler@gecac.org](mailto:ckessler@gecac.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 the Greater Erie Community Action Committee (GECAC).
4. Instructions to Prospective Offerors:

Your proposal should be addressed as follows:

Name: Christina Marie Kessler  
Title: Chief Finance Officer  
Entity: Greater Erie Community Action Committee  
Address: 18 West 9<sup>th</sup> Street  
Erie, PA 16501

It is important that the Offeror's proposal be submitted in an envelope clearly marked in the lower left-hand corner with the following information:

Request for Proposal  
For Audit Services  
4:30 p.m. September 23, 2025

It is the responsibility of the Offeror to insure that the proposal is received by the Greater Erie Community Action Committee by the date and time specified above.

Late proposals will not be considered.

5. Right to Reject: GECAC 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 GECAC 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.
  - It is expected that the contract shall be a one-year fixed price contract with options for four additional one-year periods.

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

GECAC is a nonprofit organization which serves Erie county residents in Pennsylvania. GECAC 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 12 member volunteer Board of Directors. Administrative offices and all records are located at 18 West 9<sup>th</sup> Street, Erie, PA 16501.

GECAC is a large non-profit social service agency where funding comes directly from federal, state and local governments as well as corporations, other non-profits and donations. For the past three years, our average annual revenue was \$14,986,910 and our average expenditures were \$14,304,585. On a monthly basis, we prepare approximately 45 separate revenue/expenditure and balance sheet reports through our accounting software (MIP Fund Accounting). Our agency utilizes an approved indirect cost plan as well as a cost allocation plan to allocate certain agency costs. We have many internal service programs where goods and services are provided between programs. On a monthly basis those programs are charged for their share of generated costs. These internal programs include; food services and special purposes (agency space, phone and printing/postage costs). Our agency also uses agency wide credit cards. Those cards are for Wal-Mart and Lowe's. Due to the fact we have numerous programs, payroll costs are allocated to various programs and activities. Our timesheets are completed online and approved by a supervisor. When required, we create a separate personnel activity report to justify time being charged to our grants. Our agency's fiscal year is from October 1<sup>st</sup> thru September 30<sup>th</sup> however each individual grant operates on its own reporting period due to funding source requirements. At the end of each fiscal year, we require that we physically count our inventories to properly closeout programs. The agency maintains food inventory. We have 22 separate checking accounts that are reconciled monthly and each grant is assigned a program number and placed in one of the corresponding checking accounts. Each program's revenue and expenditures are filed separately by their own fiscal year. We use SAGE HRMS to process our payroll and store our human resource information.

#### **E. Options**

At the discretion of GECAC, this audit contract can be extended for four additional one-year periods. The cost for the option periods will be agreed upon by GECAC and the

Offeror. Audit costs to be negotiated each year based on program activities and funding levels.

## 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, hereinafter referred to as the "Offeror" to perform a Single and financial/compliance audit of GECAC.

*Government Audit Standards*, states:

Financial statement audits determine (1) whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows or changes in financial position in accordance with generally accepted accounting principles, and (2) whether the entity has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

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

GECAC receives funding through a variety of different sources. Those sources include funding directly from federal government, state government, local government, local non-profits, corporations, client fees and donations. As stated above, GECAC maintains approximately 45 separate financial statements in order to properly report to each funding source. All financial statements are setup independent of each other so GECAC can record those expenditures in categories identified by each program's contract requirements. GECAC's fiscal year is from October thru September; however a majority of the programs operate on a completely different fiscal year.

For the past three years, GECAC has averaged annual revenues of \$14,986,910 and the expenditures averaged around \$14,305,485. The average mix of revenue during that same period was 27% federal, 34% state, 7% local and 32% other funding which includes in-kind. GECAC will provide a listing of all programs and their funding source origination each year which can be used to help identify the major programs that will need to be audited.

### **C. Performance**

The period of the initial audit will be from October 1, 2024 through September 30, 2025. Based on our funding level, we require a single audit to be completed. The Agency maintains and prepares financial records based upon budgetary accounting principles, however, the primary financial statements are to be prepared on the accrual basis of accounting (GAAP). We also require supplemental financial schedules listing out the program details for all those programs that were closed out during the audit period. This audit report will list those programs by division and will summarize those programs that are ongoing after the individual program detail for the ones that closed. Please note that we have multi-year programs identified under the on-going program listing. The differences between the GAAP and non-GAAP statements will need to be identified in the footnotes. These differences include how depreciation is recorded, treatment of non-funded compensated absences as well as differences in in-kind for donated goods and services. Furthermore, we are required to submit a program audit to the PA Department of Human Services for any programs that were directly funded by them. Draft copies of

these audits should be given to GECAC by February 5<sup>th</sup> following the close of the audit period. After GECAC has had an opportunity to review that audit, the Offeror will be required to attend the Management Committee meeting of the board to present the audit in March, 2027. After the board approves the audit, the Offeror will finalize the audit and mail out copies as identified in the single audit as well as provide GECAC with a .pdf copy of the audit to obtain for their records within a week of being notified that the board approved the audit. GECAC also requires approximately 10 bound audit reports to keep on file.

The Offeror will then prepare GECAC's Form 990 for the same period. GECAC will need time to review the document prior to the Offeror presenting the draft copy to the Management Committee of the board in April, 2027. After the board has had time to review the Form 990, GECAC will notify the Offeror that it has been approved so the Offeror can finalize and submit the Form 990. A .pdf copy of the Form 990 will be given to GECAC to file with their records.

All audit work is expected to be started in December of each year. GECAC will provide the Offeror work space on its premise during the audit period. The agency will supply/make available all original financial records. It will be the auditor's responsibility to pull, make copies and replace any documents that they need to test during the audit. The auditor's will also be responsible for work paper preparation as well as any third party confirmation requests. The auditor's will be responsible for preparing all the financial statement documents as all as the Schedule of Expenditures of Federal awards (SEFA) report and the Federal Form 990. The auditors also will prepare and file the agency's data collection form. GECAC will work with the Offeror to gather items stored electronically, however, as stated above, the pulling of the documentation will be the sole responsibility of the Offeror.

#### **D. Delivery Schedule**

Offeror is to transmit six copies of the draft audit report to Christina Marie Kessler, Chief Financial Officer. The draft audit reports are due by February 5<sup>th</sup>.

Also, the Offeror shall deliver 10 bound and one .pdf file of the final audit reports to Christina Marie Kessler, Chief Financial Officer no later than March 23<sup>rd</sup>.

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, GECAC may, by written notice of default to the Offeror, terminate the whole or any part of this contract.

#### **E. Price**

The Offeror's proposed price should be included with this proposal. 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. Finally, the price should also include at least an additional 20 hours for consultation throughout the year; as well as an unlimited number of hours to assist with reconciling the SEFA and financial statement audit to agency funding sources.

## **F. Payment**

Payment will be made when GECAC has determined that the total work effort has been satisfactorily completed. Should GECAC reject a report, GECAC's authorized representative will notify the Offeror 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 Offeror submits the final invoice for payment.

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

Upon delivery of the final reports to GECAC 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 GECAC 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 GECAC's 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 GECAC. It should include internal control and program compliance observations and recommendations.

## **I. Workpapers**

- 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.
- The workpapers will be retained for at least five 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 GECAC.

## **J. Confidentiality**

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to GECAC, 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 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 Offeror's staff who must have the information on a "need-to-know" basis.

The Offeror agrees to immediately notify, in writing, GECAC's 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 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 therefor.

## 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 non-profit community action agencies.
2. Prior experience auditing similar programs funded by Pennsylvania.
3. Prior experience auditing similar programs financed by the Federal Government.
4. Prior experience auditing similar county or local government activities.
5. Prior experience auditing other non-profit organizations.

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

The Offeror should describe its organization, size (in relation to audits to be performed) and structure. Indicate, if appropriate, if the firm is a small business, or minority-owned firms, and women's business enterprises.

### **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: Only include resumes of staff to be assigned to the audits. Education, position in firm, years and types of experience, continuing professional education, state(s) in which licensed as a CPA, etc. 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.

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

### **F. Peer Review Letter**

The Offeror must provide GECAC with a copy of their most recent Peer Review letter and comments.

# Proposal Evaluation

## A. Submission of Proposals

All proposals shall include two copies of the Offeror's technical qualifications, two copies of the pricing information (in a separate envelope), and two copies of the signed Certifications. These documents will become part of the contract.

## 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 Audit Standards* of the U.S. Comptroller General.

## C. Proposal Evaluation

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

1. Prior experience auditing and/or designing and installing accounting systems.	Point Range
a. Prior experience auditing non-profit community action agencies.	0 – 7
b. Prior experience auditing similar programs funded by Pennsylvania.	0 – 7
c. Prior experience auditing similar programs financed by the Federal Government.	0 – 7
d. Prior experience auditing similar county or local government activities.	0 – 7
e. Prior experience auditing other non-profit organizations.	0 – 7

GEACAC will contact prior audited organizations to verify the experience provided by the Offeror.

2. Organization, size, and structure of Offeror's firm. (Considering size in relation to audits to be performed.)

- |   |       |
|---|-------|
| a. Adequate size of the firm                                | 0 – 5 |
| b. Minority/small business and women's business enterprises | 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	0 – 15
Maximum Points	100

#### **D. Review Process**

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

However, GECAC 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.

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

## 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 Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of the 80 hours 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:
  - Office of Management & Budget Guidance – *Chapter II*
    - *2 Code of Federal Regulations Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*
  - National Community Action Partnership's Audit Essentials - 30
  - U.S. Government and Accountability Office – *Green Book – 21, 34, 44, 58, and 64*
  - U.S. Government and Accountability Office – *Yellow Book Sections 3.40 and 3.46*
  - Council on Financial Assistance Reform – *FAQ 2 CFR Part 200*

- Office of Community Service Information Memorandum – 135, 138, and 139
- American Institute of Certified Public Accountants Code of Professional Conduct – Sections 1.295.105, 130, 135

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 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 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)