

Guadalupe Economic Services Corporation

REQUEST FOR PROPOSAL FOR AUDIT SERVICES (RFP)

Issue Date: March 12, 2025

Proposal Submission Deadline: April 2, 2025

SUBMIT PROPOSAL TO:

Name: Tanya R. Patiño
Title: Executive Director
Entity: Guadalupe Economic Services Corporation
Address: 1502 Erskine Street
Lubbock, Texas 79403
Phone: (806) 642-0769
Email: tanya@gescorp.org

TABLE OF CONTENTS

RFP EVENTS TIMETABLE.....	page 3
GENERAL SPECIFICATIONS	page 4
SPECIFICATION CRITERIA SCHEDULE.....	page 7
OFFEROR’S TECHNICAL QUALIFICATIONS.....	page 10
PROPOSAL EVALUATION	page 11
ATTACHMENT 1: CERTIFICATION OF COMPLIANCE WITH RFP.....	page 13
ATTACHMENT 2: ASSURANCES	page 14
ATTACHMENT 3: OTHER CERTIFICATIONS	page 15

TIMETABLE OF RFP EVENTS

ACTION	ON
RFP posted, made available for distribution	March 12, 2025
Deadline for questions submitted to tanya@gescorp.org regarding RFP (by 12:00 pm)	March 19, 2025
Proposal Submission deadline: Proposals must be received via email by 3:00 p.m. to tanya@gescorp.org.	March 26, 2025
Review and evaluation process begins	March 27, 2025
Selection of winning proposal subject to board approval	April 4, 2025
Agreement/Contract for Deliverables and Services Initiated	April 11, 2025

I. GENERAL SPECIFICATIONS

A. Request

Guadalupe Economic Services Corporation (GESC) is requesting proposals from qualified sources for the provision of audit services.

B. Purpose

The purpose in soliciting Request for Proposal (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 Guadalupe Economic Services Corporation (GESC).

C. Deadline for Submission

The deadline for submission of proposals is **3:00 p.m. April 2, 2025**. Proposals should only be submitted via email, addressed to:

tanya@gescorp.org

D. Submission Requirements

To be considered responsive and receive an evaluation, a proposal must fully address all sections of the RFP.

In addition, be sure to submit the following:

- 1) Complete Certification of Compliance form found in the RFP
- 2) Read, sign, date and submit the Assurances and Other Certifications forms in the RFP

Proposals that do not include all requested information will be considered incomplete and will not be considered for the contract award.

It is the responsibility of the Offeror to ensure that the proposal is received by the date and time specified above. **LATE PROPOSALS WILL NOT BE CONSIDERED.**

E. Inquiries & Contact Person

All questions concerning this RFP packet should be directed to: **Tanya R. Patino, Executive Director, at tanya@gescorp.org.**

Questions received via email by noon on March 19, 2025, will receive a response.

A summary of submitted questions and responses will be posted to www.gescorp.org throughout the RFP process; please monitor the website for access to additional information that is made available to proposing firms.

F. Limitations and Reservations

Guadalupe Economic Services Corporation (GESC) reserves the right to accept or reject any and all proposals received as a result of this request, to negotiate with all qualified sources, or to cancel in part or in its entirety this RFP, if found to be in the best interest of GESC.

This RFP does not commit GESC to award a contract, to pay any costs incurred for the preparation of proposals or to procure or contract for any services.

GESC specifically reserves the right to vary the provisions set forth herein anytime prior to the execution of a contract where such variance is deemed to be in the best interest of the needs of GESC.

If selected for negotiations, the proposer may be required to prepare and submit additional information prior to final vendor(s) selection, in order to reach terms for the provision of services, which are agreeable to both parties.

G. Small and/or Minority-Owned Businesses

Efforts will be made by Guadalupe Economic Services Corporation 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).

H. Notification of Award

It is expected that a decision selecting the successful audit firm will be made pending Board approval in April 2025.

It is expected that a standard agreement/contract from Guadalupe Economic Services Corporation, Inc. will be offered for 1 year, with renewal options for up to four (4) additional years.

I. Timeline

The successful Offeror agrees to begin providing services within thirty (30) consecutive calendar days from the signed agreement/contract. Should the work not begin within the specified time, then negotiations will be terminated.

J. Modification and Renewals

GESC reserves the right to negotiate a modification or renewal for Audit Services in connection with any executed agreement/contract funded through this RFP without repeating the RFP process for a period of up to four (4) years from the original proposal initiation.

Vendor modifications and renewals shall be considered based upon the vendor's ability to meet GESC's needs.

K. Signatures

A proposal shall be signed by the Offeror authorized to bind that business and shall contain a statement to the effect that the proposal is a firm bid for a thirty (30) day period from the date that the proposal is received by GESC. The proposal shall also provide the name, title, address, and telephone number of the individual(s) with authority to negotiate during the period of proposal evaluation.

L. Evaluation Criteria

The selection of a proposal is to be made after careful evaluation of the proposals received. Each proposal will be evaluated for acceptability with emphasis on the several factors enumerated in the EVALUATION TABLE. Each factor is assigned a numerical score. The scores will be used to determine the audit firm with whom negotiations may be conducted.

Evaluations will be based upon the criteria table for which up to 100 points may be awarded. Total evaluation values of less than 70 points will invalidate a proposal. (Refer to Proposal Evaluation section for more details.)

M. Protest Rights

All protests or complaints regarding this RFP process shall be referred to the GESC Grievance Procedures for resolution. Copies of such procedures may be obtained from GESC upon request.

N. Conflict of Interest

To avoid any real or apparent conflict of interest in the procurement of this RFP, no GESC employee or their family member may vote on or financially benefit from any award connected with this request.

O. Subcontracting

The services of any Audit firm awarded from this RFP must be delivered by the Audit firm named on the proposal. Subcontracting will not be allowed unless prior authorization from GESC is given.

II. SPECIFICATIONS CRITERIA SCHEDULE

Guadalupe Economic Services Corporation, Inc. (GESC) is a nonprofit organization providing services in Lubbock County in Texas. GESC 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 6-member volunteer Board of Directors. Administrative offices and records are located at 1502 Erskine Street Lubbock, Texas 79403.

GESC operates an annual budget of approximately \$500,000, the majority of which come from federal and state funded grants, requiring state and federal single audits. The organization employs approximately 10 employees. GESC operates with a September 30th fiscal year-end, with a requirement to file the audit report by June 30th of each year.

A. Scope of a Financial and Compliance Audit

Government Audit Standards, states on page 2-1: “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.”

This audit must comply with requirements as stipulated in the Uniform Guidance, OMB 2 CFR Part 200.514.

B. Description of Programs/Contracts/Grants

GESC receives funding from the following state and federal sources:

State Agency:	Program Title:
Texas Department of Housing and Community Affairs	Community Service Block Grant
Federal	Program Title:
United States Department of Agriculture, Texas State Affordable Housing Corporation	Multi-Family Housing
Local	Program Title:
Genesis Thrift Store	Funding Raising Donations

C. Services to Be Performed

- Perform the annual audit of GESC for the fiscal year of **October 1, 2024, through September 30, 2025**. The Offeror is required to prepare audit reports in accordance with the Government Audit Standards, and State of Texas Single Standard Audit.
- Present the audit report to the full Board of Directors at the April board meeting.
- Upload the audit to the Federal Audit Clearinghouse portal.
- Prepare GESC's annual Form 990 tax return and submit to IRS within time requirements.

D. Delivery Schedule

The offeror is to transmit one copy of the draft audit report to GESC's Executive Director. The **draft audit report is due on May 1st, each year**.

The Offeror shall deliver 6 final audit reports to GESC's Board of Directors at the regularly scheduled June board meeting of each year.

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

E. Price

The Offeror's proposed price should be submitted 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.

F. Payment

Payment will be made when GESC has determined that the total work effort has been satisfactorily completed. Should GESC reject a report, GESC'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.

G. Audit Review

All audit reports prepared under this contract will be reviewed by GESC and its funding sources to ensure compliance with General Accounting Office's (GAO) Government Audit Standards and other appropriate audit guides.

H. Exit Audit Conference

An exit audit conference with GESC’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 GESC. 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 costs questioned as well as an analysis of the problem.
2. The workpapers will be retained for at least three years from the end of the audit period.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office, and GESC.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to GESC, 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, GESC’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 required that such audits be in compliance with government audit standards, guided procedures, statutes, rules, and regulations in addition to 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 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.

III. OFFEROR'S TECHNICAL QUALIFICATIONS

The Offeror shall include a narrative detailing the following areas in its proposal:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience including the names, addresses, contact people, and telephone number of prior organizations audited. Please include any relevant experience in the following categories:

- Prior experience auditing 501 (c) 3 entities, specifically those with federal grant funds.
- Prior experience performing Federal and/or State Single Audits.
- Prior experience auditing community action agencies.
- Prior experience auditing companies with annual budgets of at least \$500,000.

B. Organization, Size, and Structure of Firm

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 or minority-owned business. **Offeror must include a copy of the most recent Peer Review**, if the Offeror has had a Peer Review.

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 and professional licenses of the individual audit team members.

Only include credentials 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, proposed timeline of audit process, and other pertinent information.

IV. PROPOSAL EVALUATION

A. Submission of Proposals

All proposals shall include:

- A narrative of the information requested in the sections above.
- A copy of the most recent peer review
- Complete pricing information
- Copies of the signed certifications (Attachments 1,2, and 3).

B. Non-Responsive Proposals

Proposals may be judged non-responsive and removed from further consideration if any of the following occur:

- The proposal is not received timely in accordance with the terms of this RFP.
- The proposal does not follow the specified format.
- The proposal does not include the Certifications.
- 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. Evaluation

Each proposal shall be evaluated using the following scoring matrix:

FACTOR	Points Available	Points Awarded
1. Prior audit experience: (Extent of experience auditing) <ul style="list-style-type: none"> • Prior experience auditing financial Federal and Local Government programs. • Prior experience auditing 501 c 3 entities, grant funded entities. • Prior experience performing single audits. 	30	
2. Organization, size, and structure of Offeror's firm: <ul style="list-style-type: none"> • CPA firm has the capacity to successfully complete an audit. • Peer review does not indicate any deficiencies. 	20	
3. Qualifications of staff to be assigned to the audits to be performed: <ul style="list-style-type: none"> • CPA firm maintains the necessary licenses of the firm and the staff assigned to this audit. 	15	
4. Offeror's understanding of work to be performed: <ul style="list-style-type: none"> • The proposal demonstrates an understanding of the required work, including realistic budget of time required. 	15	
5. Price: <ul style="list-style-type: none"> • The proposal includes detailed price estimates; pricing is reasonable and competitive. 	20	
MAXIMUM POINTS:	100	

D. Review Process

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

However, GESC 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.

GESC anticipates the award of the contract to the Offeror with the highest total points.

CERTIFICATION OF COMPLIANCE WITH SPECIFICATIONS

This is to certify that to the best of the undersigned's knowledge and belief, the data in this application is responsive, is true, and correct. The undersigned understands that a non-responsive application, as defined by Guadalupe Economic Services Corporation, Inc., may not be reviewed and considered for agreement/contract selection. Further, the submission of the application has been authorized by the governing body of the Offeror.

Please indicate which best represents your business.

Is Business a HUB vendor?
(Historically Under-Utilized Business)

(Signature) (Date)

Is Business a DBE vendor?
(Disadvantaged Business Enterprise)

(Type Name and Title)

Is Business a Minority Owned Business?

(Type name and Title of person authorized to negotiate a contract if different from person listed above)

Business is part of a larger company.
(Please Specify)

(Organization)

(Address)

Other
(Please Specify)

(City) (State) (Zip)

(Telephone)

Other 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.
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 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.)
11. The individual signing certifies that he/she has read and understands the following publications relating to the proposed audits:
 - a. Government Auditing Standards (Yellow Book)
 - b. OMB Circular 2 Part 200:
 - i. Audits of Institutions of Higher Education and Other Nonprofit Institutions.
 - ii. Compliance Supplements
 - iii. Uniform Administrative Requirements for Grants and Agreements with Institutions

of Higher Education, Hospitals, and Other Nonprofit Organizations.
iv. Cost Principles

- c. A Guide for Nonprofit Organizations: Cost Principles and Procedures for Establishing Indirect Cost and Other Rates for Grants and contract with the Department of Health and Human Services.
- d. Audits of Voluntary Health and Welfare Organizations (AICPA Audit Guide)
- e. Audits of Certain Nonprofit Organizations (AICPA Audit Guide)

Signature: _____

Date: _____

Printed Name: _____

Title: _____