

REQUEST FOR PROPOSAL (RFP) FOR ANNUAL AUDITING SERVICES FOR EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION

INTRODUCTION

The East Central Intergovernmental Association (ECIA) is seeking proposals from qualified accounting firms or individuals to conduct an Annual Audit for multiple programs within ECIA. The purpose of this audit is to ensure compliance with applicable laws and regulations and to provide stakeholders with a clear and accurate picture of the organization's financial position.

BACKGROUND

ECIA was organized in 1974 pursuant to the provisions of Chapters 473A and 28E of the Code of Iowa as a regional planning organization designed to assist local governments in developing regional solutions for the similar problems they face. ECIA has contracts with the Economic Development Administration, Iowa Economic Development Administration, USDA, Iowa DOT, and Illinois DOT. The annual operating budget of ECIA varies from year to year based on the level of state and federal funding available. ECIA's fiscal 2025 budget is approximately \$9.965 million. ECIA currently employs 47 staff, including staff for ECDC, CSEI, ECIA BG, EIRHA, EIRHC, EIRUSS and RTA.

East Central Development Corporation (ECDC) was established in 2015. The focus of this entity is the development of affordable housing. In past years a pocket neighborhood of ten homes was constructed in Maquoketa, Iowa. Several homes in Clinton, Iowa, were also rehabbed for sale to low- and moderate-income individuals. ECDC qualifies as a tax-exempt Corporation under Section 501 (c) (3) of the Internal Revenue Code. IRS Form 990 (Return of Organization Exempt from Income Tax) must be filed for the Corporation. The Corporation is staffed by ECIA.

Community Solutions of Eastern Iowa (CSEI) was formed in 2019 for the purpose of assisting individuals and families in Dubuque and Delaware Counties who are homeless or at risk of becoming homeless. The program is primarily funded by state and local grants. CSEI qualifies as a tax-exempt Corporation under Section 501 (c) (3) of the Internal Revenue Code. IRS Form 990 must also be filed for CSEI. The Corporation is staffed by ECIA.

The financial statements of ECIA include the operations of ECIA, ECDC and CSEI. ECIA utilizes Great Plains Dynamics accounting software. ECDC and CSEI financials are maintained using QuickBooks accounting software.

E.C.I.A. Business Growth, Inc. was established in 1983 as a not-for-profit Certified Development Corporation for the purpose of promoting the expansion of area businesses and the creation of new jobs. The Corporation acts as an intermediary between the Small Business Administration and prospective small business borrowers, as well as operating several revolving loan funds. The annual budget of the Corporation is approximately \$350,000. Currently, 106 loans to small businesses are being serviced by the Corporation, 58 of which are through the SBA and 48 through the revolving loan funds. ECIA BG qualifies as a tax-exempt Corporation under Section 501 (c) (3) of the Internal Revenue Code. IRS Form 990 must also be filed for ECIA Business Growth. The Corporation is staffed by ECIA and utilizes QuickBooks accounting software.

Eastern Iowa Regional Housing Authority (EIRHA) is organized pursuant to the provisions of Chapter 403A and Chapter 28E of the Code of Iowa for the purposes of owning and providing affordable rental units and rent subsidies to low- and moderate-income individuals in Dubuque, Delaware, Jackson, Cedar, Clinton, Scott and

Jones counties excluding the cities of Dubuque, Clinton, Camanche and Davenport. Established in 1978, EIRHA currently owns and manages 163 public housing units in fourteen communities. The Housing Authority has an Annual Contributions Contract (ACC) with the Department of Housing and Urban Development (HUD) to serve 989 Section 8 Housing Choice Voucher families and 89 Mainstream. EIRHA also receives funds to finance major improvements to the Public Housing units from HUD through the Capital Fund Program (CFP). EIRHA also operates a Lead Risk Hazard Grant and Housing Counseling Program. The annual budget for EIRHA is approximately \$9.8 million. EIRHA is staffed by the East Central Intergovernmental Association (ECIA). Tenant and financial records are maintained using WinTen2 MRI software. EIRHA utilizes a fee accountant for the preparation of monthly financial statements.

Eastern Iowa Regional Housing Corporation (EIRHC) is a not-for-profit subsidiary of EIRHA and was established in 1990 under the provisions of Chapter 504A of the Code of Iowa. EIRHC owns and manages ten United States Department of Agriculture (USDA) funded elderly housing units. The annual budget for these units is approximately \$80,000. EIRHC also administers an Iowa Finance Authority Home Investment Partnership Program grant for Tenant Based Rental Assistance. The current grant is in the amount of \$579,000. EIRHC is a Housing Trust Fund designee through the State of Iowa. Current funding for this program is \$490,226. EIRHC also owns two housing developments totaling 56 units which were originally constructed as Low-Income Housing Tax Credit (LIHTC) projects. Both developments have met the 15-year LIHTC compliance requirements and are now fully owned and managed by EIRHC. The annual budgets for these two developments total approximately \$716,000. EIRHC employs the same staff as EIRHA. EIRHC utilizes WinTen2 MRI software. IRS Form 990 must also be filed for EIRHC.

EIRUSS is an organization created by the Cedar, Clinton, Delaware, Jackson, and Jones County Boards of Supervisors under Chapter 28E of the Code of Iowa for the purpose of planning, designing, developing, financing, constructing, owning, operating and maintaining essential facilities and services including, but not limited to, wastewater treatment systems and water systems for and on behalf of the counties, cities and unincorporated areas within the counties. EIRUSS is currently operating three water systems and four sewer systems. The annual budget for EIRUSS is approximately \$750,000. EIRUSS is staffed by ECIA and utilizes QuickBooks accounting software.

RTA was established in 1982 to improve, consolidate and coordinate transportation services in the State of Iowa Planning Area VIII (excluding the city of Dubuque). At the present time, the RTA receives significant revenue from contracts with these agencies as well as the State of Iowa transit operation assistance, U.S. DOT Section 16 Rural Transit Operating Assistance and passenger fares. The annual budget for the RTA is approximately \$2.5 million. The RTA employs approximately 35 full-time and part-time drivers. The management of the RTA is staffed by ECIA and utilizes Great Plains Dynamics accounting software.

The previous audits of these entities are available for inspection at our office. They can also be found online using the following link: <https://www.ecia.org/publications/index.php>

SCOPE OF WORK

The selected accounting firm will be responsible for the following tasks:

1. The audit shall be performed in accordance with the following:
 - i. U.S. generally accepted auditing standards.
 - ii. The standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
 - iii. The Single Audit Act Amendments of 1996 and Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), when applicable.

- iv. Department of Housing and Urban Development (HUD) and United States Department of Agriculture (USDA) financial and compliance with audit requirements.
2. The fees quoted in your proposal and included in the contract will be the maximum paid, unless an amendment to the contract is completed by both parties.
3. The audit report should conform to:
 - i. Reporting formats specified by the Auditor of State's office.
 - ii. AICPA Audit Guides.
 - iii. Governmental Accounting Standards Board reporting requirements.
 - iv. The requirements of the Single Audit Act Amendments of 1996 Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), when applicable.
 - v. HUD rules, regulations and guidelines.
4. The audit report should include a management letter, if appropriate, which includes recommendations related to the financial statements, internal control, accounting systems and compliance issues.
5. Bound copies of the report, including the management letter, in a quantity sufficient to meet the needs of the Agency are required to be provided by the firm awarded the contract. In addition, arrangements to make the reports available in electronic format is also required.
6. An electronic (PDF) of the report, including the management letter, a detailed per diem audit bill, and a copy of the news release shall be submitted to the Auditor of State at submitreports@auditor.state.ia.us upon release of the reports to the entity.
7. The contract period will be for five years and will be subject to renewal upon negotiation for continuation and approval by the ECIA Council

PROPOSAL REQUIREMENTS

In order to simplify the review process and to obtain the maximum degree of comparability, the proposal should include the following items and be organized in the manner specified below.

A. Letter of Transmittal

A letter of transmittal briefly outlining the proposer's understanding of the work and general information regarding the firm and individuals to be involved is permitted, but not required, if it is limited to not more than two pages. If a transmittal letter is presented, it should clearly set forth the local address of the office of the firm to be performing the work, the telephone number, and the name of the contact person.

B. Table of Contents

Include a table of contents which identifies the material by section, page number and a reference to the following information to be contained in the proposal. If a transmittal letter is not submitted, please include on the table of contents the local address of the office to be performing the work, the telephone number, and the name of the contact person.

C. Profile of Firm Proposing

1. State whether the firm is a local, national or international firm and a brief description of the size of the firm.

2. State whether the firm is in compliance with the registration requirements to engage in the practice of public accounting within Iowa.
3. State whether the firm is independent of the entity to be audited in accordance with Government Auditing Standards.
4. Describe the local office from which the work is to be performed.
 - i. Location of the office.
 - ii. Current size of the office.
 - iii. Size of professional staff by level, such as partner, manager and supervisor, senior, and other professional staff.
 - iv. Number of CPA's in the office.
5. Submit any other information required to describe the office which will be performing the work.

D. Qualifications

1. Describe the recent local office auditing experience in similar types of audits to which the proposal relates. If appropriate, include regional experience in auditing similar types of entities. If desired, it is permissible to include your five largest clients that are not governmental clients.
2. Include resumes of all key professional members who will be assigned to the audit. Resumes should be included for all members of the audit team from the audit partner through at least the on-site in-charge accountant. The resumes should include:
 - a. The amount of experience the individual has had in the auditing profession.
 - b. A summary of similar audits on which the individual has worked.
 - c. A summary of the continuing professional education the individual has had in governmental accounting and auditing during the last two years.
 - d. A statement as to whether the individual is independent, as defined by Government Auditing Standards.
3. Describe the firm's policy on notification of changes in key personnel.
4. Provide a listing of or the number of professionals in the office who are experienced in governmental auditing.
5. Describe the availability of individuals within the firm who are primarily involved in governmental auditing and reporting and with whom the audit team may consult.
6. Describe briefly the firm's system of quality control to ensure that the audit is adequately performed.

E. Scope of Services and Proposed Project Schedule

Briefly describe your understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract will be issued on the date given in the cover letter. Include the approximate dates you would perform fieldwork, office review, and report preparation and the latest delivery date of the final report.

F. Fees and Compensation

Provide the following information:

1. Estimated total hours.
2. Estimated out-of-pocket expenses.

3. Hourly rate by staff classification.
4. All-inclusive maximum fee and out-of-pocket expenses, which will not be exceeded, are presented as follows:

	FY 25	FY26	FY27	FY28	FY29
ECIA *					
E.C.I.A Business Growth					
EIRHA					
EIRHC					
EIRUSS					
RTA					
Total					

* Including ECDC and CSEI

5. Frequency and timing of your billing process.

EVALUATION CRITERIA

The proposal will be evaluated based upon the following two areas. Therefore, it is important that your proposal be responsive to the data requested.

- A. Cost (25 points)
 - Overall cost, including out-of-pocket expenses for performance of the audit.
- B. Qualifications
 1. Organizational structure and size of the firm (5 points)
 2. Government auditing experience of persons assigned to the audit (15 points)
 3. Recent experience in similar audits with an emphasis on HUD, USDA and Housing Authorities with multiple programs (30 points)
 4. Relevant education background of individuals to be assigned, including seminars and courses within the last three years (5 points)
 5. Understanding of work to be performed and timetable to complete the audit (20 points)

SUBMISSION INSTRUCTIONS

The proposal must be submitted as a single electronic PDF and be formatted to print on 8.5” x 11” pages. The proposal must be limited to 15 single-sided pages. All pages will be counted including: proposal covers, cover letter, dividers, appendices, etc. The maximum size limit of a proposal is 7.5 megabytes.

The electronic proposal must be submitted via email to sstoffel@ecia.org. An email will be sent confirming receipt of the proposal within 24 hours or by 3:00 p.m. on the submittal deadline date.

Proposals are due by 3:00 pm (CST) on **February 14, 2025**.

TIMELINE

- **RFP Issued:** January 16, 2025
- **Deadline for Questions:** February 7, 2025
- **Proposal Submission Deadline:** February 21, 2025, (3:00 PM CST)
- **Proposal Review and Interviews:** Last week of February
- **Selection and Notification:** March 24, 2025

TERMS AND CONDITIONS

- ECIA reserves the right to reject any or all proposals.
- Only proposals received in the time frame given will be considered.
- Proposals must remain valid for a period of 90 days from the submission deadline.
- ECIA is not responsible for any costs incurred by proposers in the preparation of their proposals.

QUESTIONS AND CLARIFICATIONS

Any questions or clarifications regarding this RFP should be directed to the following email address ssstoffel@ecia.org. All questions and clarifications should be submitted by **January 31, 2025**.

We appreciate your interest in providing services to ECIA. We look forward to your proposal.

Sincerely,

Chandra Ravada, ECIA Interim Executive Director
on behalf of ECIA Executive Committee, ECIA Council