

**Lake Cumberland Community Action Agency, Inc.**  
**23 Industry Drive**  
**PO Box 830**  
**Jamestown, KY 42629**

September 11, 2018

**Information For Audit Bids**

Lake Cumberland Community Action Agency, Inc. (LCCAA) is seeking bids for an audit firm to perform an audit of all agency operations for a period of five (5) fiscal years beginning with the July 1, 2018 to June 30, 2019 fiscal year. This audit will be a single organizational audit for financial and compliance purposes.

LCCAA is a non-profit organization with a tax exempt status under 501 (c) (3) of the Internal Revenue Code. We operate programs primarily for the elderly, disadvantaged and low income with funds received from federal, state and local government, together with contributions and non-governmental fees for certain operations.

Most of our programs are operated in the ten county Lake Cumberland Area which includes Adair, Casey Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Taylor, and Wayne counties, with all accounting and central administration being conducted from 23 Industry Drive, Jamestown, KY. The accounting system is fully automated, using Abilia Fund Accounting software. LCCAA also utilizes the payroll module of Abilia Fund Accounting for all payroll purposes.

Most of the client files are maintained at the county offices but can be brought into the Central Office for compliance testing. Once the request is made for these records, it will take approximately five working days to receive them into Central Office. The Auditor(s) may conduct compliance testing at the sites if he/she desires.

Our operating budget and assets total approximately \$11 million. Attached, you will find a list of the major programs currently being operated which will be included in the scope of the Single Audit. It is possible that some programs will be added which would need to be included in the Single Audit.

The Cabinet for Families and Children has expanded the scope of the normal Single Audit as specified below:

In the event the contract is funded in whole or in part by a federal agency, and the Second Party is a non-federal entity, the Second Party shall have a single audit conducted in accordance with 2 CFR, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) Subpart F-Audit Requirements.

The audit report's accompanying financial statements shall be issued in accordance with Generally Accepted Accounting Principles (GAAP) and reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited.

The audit shall cover each fiscal year period, and a copy of the Second Party's audit report(s), federal schedule of expenditures, supplemental information by cost center and/or program and audit findings with corrective action plan shall be submitted to the Contract Specialist, no later than nine (9) months after the fiscal year end.

Should the audit report refer to a separate management letter of findings, the Second Party shall include a copy of the management letter with the audit report and comments and/or a corrective action plan. All material findings shall be reported in the audit section of audit findings and shall include the management's response and/or corrective action as required by 2 CFR, Part 200 Subpart F.

The audit report shall include a schedule of expenditures of federal awards and all federal award identification information as stipulated by 2 CFR, Part 200 Subpart F requirements.

Additionally, preparation and submission of LCCAA's Tax Report (Form 990) and preparation of LCCAA's final SF 425 Form is the secondary focus of the work.

Proposals shall be evaluated on costs, qualifications, and prior related experience. This includes our review of the firm's peer review report and related materials, interviews with personnel, discussions with other clients, and the firm's completeness and timeliness in its response to us. Ranking criteria is attached. Final approval of successful firm will be made by our agency's Board of Directors.

The deadline for submitting proposals is 10:00 a.m. CST, Friday, September 28, 2018.

Your letter of interest should respond to the following issues, as well as costs:

1. Size of Firm: Please indicate the number of certified accountants, accountants and other personnel employed by your firm.
2. Explain who would manage and/or conduct the audit and list his/her education, certification, number of years auditing experience and types of experience.
3. Indicate the auditing experience your firm has had in conducting both financial and compliance audits. State specifically any experience in conducting an audit in accordance with Uniform Guidance.
4. Indicate the prior experience your firm has had in conducting audits of public, non-private organizations. State specifically any experience conducting audits on Community Action Agencies.
5. Indicate all prior experience your firm has in auditing all or part of the operation of any local, state or federal governmental entity.
6. Explain briefly, and in lay terms, what your audit would entail and the amount and type of assistance you expect Community Action staff to provide.

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7. Explain your billing policy for limited technical assistance and advice to Lake Cumberland Community Action Agency, Inc. at times other than during the performance of the audit.
8. Set forth your fee proposal for the fiscal year audit, with whatever guarantees can be given regarding increases in future years.
9. Indicate the amount of time you anticipate would be required to complete the audit.
10. Please provide references (preferably not-for-profit) from clients for whom you provide similar services.
11. Describe your firms capabilities and commitment to provide tax and other management services to not-for-profit agencies.
12. 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.

Contracts shall be fixed price contracts and shall be for a one (1) year period with the option to renew for four (4) additional one-year periods. Prior to the commencement of each year's audit contract, Community Action's Executive Director and the firm will review costs and negotiate any adjustments based on changes in the amount of work to be performed.

Copies of prior year Audit Reports will be available for on site review; however, copies will not be distributed.

Any questions or for additional information, please contact our Finance Director, Beth Davenport, CPA, at [beth.davenport@lc-caa.org](mailto:beth.davenport@lc-caa.org) or 270-343-4600.

Lake Cumberland Community Action Agency, Inc.  
Audit Rating Criteria  
(For Reference Only)

**Name of Firm:** \_\_\_\_\_

**Prior Experience**

	Maximum Points to be awarded
Single Audits (Single Agency Audit for Government Entities)	(20) _____
Audits of Non-Profit Agencies	(15) _____
Audits for CAAs	(15) _____

**Size & Structure of Firm** (10) \_\_\_\_\_

(Consider size in relation to audit to be performed)

**Qualifications of Staff To Be Assigned To Audit** (20) \_\_\_\_\_

(Determine from resumes, their education including continuing education courses taken during the last three years. Another evaluation factor should be their position in the firm and years and types of experience)

**Bidder's Understanding of Work To Be Performed** (10) \_\_\_\_\_

(Responsiveness of the proposal in clearly stating an understanding of the work to be performed. Comprehensiveness of audit work plan and realistic time estimates to perform each audit step.)

**Cost of Audit** (10) \_\_\_\_\_

**TOTAL SCORE:** \_\_\_\_\_

Lake Cumberland Community Action Agency, Inc.  
Major Program Listing  
(For Reference Only)

- |  |             |
|--|-------------|
| 1. Head Start/Early Head Start               | CFDA 93.600 |
| 2. Migrant Head Start                        | CFDA 93.600 |
| 3. Community Services Block Grant            | CFDA 93.569 |
| 4. Community Collaboration For Children      | CFDA 93.590 |
| 5. Community Collaboration For Children      | CFDA 93.556 |
| 6. Low Income Home Energy Assistance Program | CFDA 93.568 |
| 7. Weatherization Assistance Program         | CFDA 81.042 |
| 8. Emergency Food and Shelter Program        | CFDA 97.024 |
| 9. Child Care Food Program                   | CFDA 10.558 |