REQUEST FOR PROPOSALS
November 1, 2019

AUDITING SERVICES FOR
LAND OF LINCOLN LEGAL AID, INC.

RESPONSE DEADLINE Monday, November 25, 2019

Land of Lincoln Legal Aid, Inc. (Land of Lincoln) is soliciting tax and auditing services for the next three years beginning with fiscal year ending December 31, 2019. Qualified independent public accountants are invited to submit proposals to conduct financial audits and program compliance reviews under the parameters described below. The Board of Director’s Audit Committee may invite selected applicants to appear for an interview prior to making a final decision.

Background information

Land of Lincoln is a not-for-profit civil legal services organization providing free civil legal assistance to low-income and senior residents of 65 counties in Central and Southern Illinois. Land of Lincoln has 5 regional offices employing more than 90 staff, with an annual budget over $8 million. Our Administrative office is located in East St. Louis, IL; regional offices are located in East St. Louis, Alton, Springfield, Champaign and Carbondale. Smaller satellite offices are located in Charleston, Mt. Vernon, and Decatur.


Financial records are kept in the Administrative office in East St. Louis. Land of Lincoln uses Abila/MIP’s accounting software.

The most recent audits were performed for the period ending December 31, 2018; a copy of this report is available upon request. If you are successful in your bid, you will need to arrange with the prior auditor to review the work papers of any historical audits.

Financial Audit and Program Compliance Review Requirements

Land of Lincoln requires a financial audit in accordance with generally accepted auditing standards, Government Auditing Standards, part 200 – Uniform Administrative requirements, cost principles, and audit requirements for federal awards, and all auditing and compliance
reporting requirements of the Legal Services Corporation, including those contained in the “Accounting Guide for Recipients and Auditors” and “Compliance Supplement for Audits of LSC Recipients,” as well as any other requirements that LSC or other funding sources may later establish. Interested applicants can obtain the LSC audit and compliance requirements from the LSC Office of the Inspector General website at http://www.oig.lsc.gov.

The following reports are expected at the completion of the audit:

1. Financial statements, including
   a. Independent auditor’s report
   b. Statements of financial position, statements of activity, statements of cash flow, notes to financial statements
   c. Supplementary schedules of grant and unrestricted activities, Legal Services Corporation activities, and Private Attorney Involvement (PAI) activity
   d. Support, Revenue and Expense detail for each Older American Act grants
   e. Schedule of Expenditures of Illinois Department of Human Services

2. Schedule of Expenditures of Federal Awards and Single Audit Reports, including:
   a. Report on internal control over financial reporting and on compliance and other matters based on audit of financial statements performed in accordance with Government Auditing Standards
   b. Report on compliance for each major Federal program and report on internal control over compliance
   c. Schedule of expenditures of federal awards
   d. Notes to schedule of expenditures of Federal award
   e. Schedule of findings and questioned costs
   f. Summary schedule of prior audit findings

3. Independent auditor’s report on applying agreed-upon procedures on CFR schedule of program costs and schedule of program revenue for the State of Illinois.

4. Communication with the Audit Committee addressing the following:
   a. The auditor’s responsibility under auditing standards generally accepted in the U.S. and part 200 – Uniform Administrative requirements, cost principals, and audit requirements for federal awards,
   b. Significant accounting policies
   c. Accounting estimates
   d. Audit adjustments
   e. Disagreements with management
   f. Consultations with other independent accountants
   g. Issues discussed prior to retention of independent auditors
   h. Difficulties encountered in performing the audit.

5. Annual tax returns (IRS and Illinois Form 990)
Time frames/deadlines

Land of Lincoln must submit its audit to the Legal Services Corporation within 120 days from the close of the fiscal year ending December 31. Therefore, the auditor must provide draft financial statements no later than the first week of April and the final audit report no later than mid-April. The auditor shall provide 25 printed and bound copies of the audited financial statements and the complete “Federal Audit” including the necessary supplementary information and compliance report and one master copy in an electronic format (PDF).

Land of Lincoln financial staff will provide requested financial information and will be available to assist the auditors with preparing confirmations, producing requested documentation and photocopying documents. In order to meet the above deadlines, the auditor should complete fieldwork for the audit by the middle of March.

Upon completion of the audit work, the auditor will conduct an informal conference with the Executive Director, Deputy Director of Finance and Manager of Program Accounting. Upon completion of the final audit report, the auditor will meet with the Audit Committee of the board of directors.

Other Requirements

The auditor must retain the working papers of Land of Lincoln audits for a period of three years and must make its working papers available to LSC and other grantors as required, including making their staff available for periodic audit/inspection from the LSC’s Office of Inspector General (OIG).

Proposal Information

You will be evaluated based on your response to items in the proposal information area. Please include the following information in your proposal to provide Land of Lincoln with the auditing services outlined above:

1. A description of your firm, including how long the firm has been in business, any specialty areas of the firm, experience providing auditing services to not-for-profit organizations, experience conducting single federal audits pursuant to part 200 – Uniform Administrative requirements, cost principles, and audit requirements for federal awards, and experience conducting audits of Legal Services Corporation grantees.

2. Identify the supervisors (e.g., partner, manager) and the staff who are expected to work on the audit. Describe their past experience, including education, licensing, and training. Address any complaints against them that have been leveled by the state board of accountancy or other regulatory authority, if any. Specify any corrective actions that have been taken by any regulatory bodies or by any employers (current or past) related to any complaints, if any.
3. Describe your firm’s participation, if any, in professionally sponsored peer review or other quality control programs. Include a copy the most recent peer review report, any related letter of comments and the firm’s response.

4. Provide a statement of your understanding of the work required and a plan describing how you will accomplish the work within the required timeframes. Include a brief discussion of the audit procedures you will use in the audit process.

5. Provide the estimated number of hours required to provide the requested audit services, along with a breakdown of hours by staffing classification.

6. State the all-inclusive fee for the work you will perform for the fiscal years ending December 31, 2019, December 31, 2020 and December 31, 2021. Describe the itemized fees charged for fiscal year audit and Form 990 work.

7. Provide a list of current clients whom we may contact as references. We are especially interested in other not-for-profit organizations, especially those who require a single federal audit pursuant to part 200 – Uniform Administrative requirements, cost principals, and audit requirements for federal awards.

8. Describe the professional liability insurance carried by your firm, including policy limits.

9. Please provide a statement of your equal employment opportunity policy and your agreement to accept the attached certifications. If your proposal is accepted, you will be required accept an agreement, in writing, detailing the obligations of both parties in completing the audit, how to resolve problems and the attached certifications.

Proposal Submission

Please submit your proposal to Land of Lincoln by close of business November 25, 2019. Please mail or email proposals to:

Calvin Hwang, Deputy Director
Land of Lincoln Legal Aid, Inc.
8787 State Street, Suite 201
East Saint Louis, IL 62203
chwang@lincolnlegal.org

We expect to make our final decision by January 2020.

We will award the audit contract to the individual or firm that our Board of Directors, in its sole discretion, determines has submitted the most responsive and responsible bid. Land of Lincoln reserves the right to reject any and all responses to this RFP.
CERTIFICATIONS

A. The individual signing certifies that he/she is authorized to contract on behalf of the Firm and to make these certifications.

B. The individual signing certifies that the Firm 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 Firm.

C. The individual signing certifies that the Firm meets the independence standards of the Government Auditing Standards issued by the Comptroller General of the United States.

D. The individual signing certifies that he/she is aware that all individuals to be assigned to the audit have met the GAO Continuing Education Requirement of 80 hours of continuing education every two years; and that 24 hours of this education have been in subjects directly related to the auditing of government grants.

E. The individual signing certifies that he/she has read and understands the GAO requirement of an external quality control review at least once every three years.

F. The individual signing certifies that the Firm, and any individuals to be assigned to the audit, do not have a record of substandard audit work and have not been debarred or suspended from doing work with any Federal, state or local government. (If the Firm or any individual assigned to the audit has been found in violation of any state or AICPA professional standards, this information must be disclosed.)

G. The individual signing certifies that the Firm does carry professional malpractice insurance or is otherwise adequately self-insured.

H. The individual signing certifies that the Firm does not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin, disability, or any other basis prohibited by law. The Firm shall take affirmative action to insure that employees are treated during their employment, without regard to race, color, religion, sex, age, national origin, disability, or any other basis prohibited by law. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or forms of compensation; and selection for training, including apprenticeship. The Firm will, in all solicitations or advertisements for employees placed by or on behalf of the Firm, state all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, disability or any other basis prohibited by law.