



**REQUEST FOR PROPOSAL (RFP)
FOR AUDIT AND TAX SERVICES**

Background

Beginning in 1986, the Roman Catholic Church in the State of Hawaii, doing business as the Office for Social Ministry, pioneered the response to much needed services for families and individuals experiencing homelessness on Hawai'i Island. As the need for focused housing and support services greatly increased due to prevalent and increased rates of homelessness, HOPE Services Hawaii, Inc. (HOPE Services, or HOPE) was created. Since its inception as a nonprofit charitable organization in 2010, HOPE has expanded its service capacity and evolved to target and serve the most economically- and socially disadvantaged populations. HOPE has increased its capacity to meet the needs of the island-wide community, leveraging partnerships with County and State agencies, private foundations and other social service organizations, and developing and operationalizing data-informed best practices to improve the lives of our community's most needy: those at imminent risk of and experiencing homelessness.

The purpose of this Request for Proposals is to solicit proposals from various candidate organizations, and to conduct a fair and extensive evaluation based on criteria listed within the Request for Proposal.

The scope of services required by this RFP includes the following:

- Annual audit of financial statements for HOPE Services Hawaii, Inc. commencing with our fiscal year ending, August 31, 2024.
- Management and Representation letters in conjunction with the audit.
- Audit of Federal award(s) in accordance with 2 CFR 200.
- Preparation of Federal Forms 990 and state income tax returns.
- Occasional advice and counsel during the year regarding accounting issues and governmental requirements.

We are seeking a firm in Hawai'i that has significant experience with nonprofit organizations. Our staff will provide significant audit assistance. Financial statements and management letter to be completed and delivered no later than April 15, 2025.

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Included in this RFP you will find proposal specifications and other relevant information. For those firms wishing to respond to our proposal request, we will provide copies of the most recent audited financial statements, if requested. Proposals must be received no later than 4:00 P.M. on Friday, May 31, 2024. Proposals received after the due date will not be considered.

Proposals should be addressed as follows:

Via postal delivery:

Shelly Toledo, Chief Financial Officer
HOPE Services Hawaii, Inc.
357 Waianuenue Avenue
Hilo, HI 96720

Via email:

stoledo@hopeserviceshawaii.org

It is the responsibility of the CPA Firm to ensure that the proposal is received by the date and the time specified in this RFP. Any questions regarding this RFP should be directed to Shelly Toledo, via email at the address above.

Financial Overview

Major Sources of Income

- Federal Grants
- State Grants
- Foundation Grants
- Contributions
- Rental Income
- Program Fees
- Fee-for-Service (Insurance billables)

Major Expenses

The primary expenses for HOPE are personnel (salaries, payroll taxes and fringe benefits), operational expenses such as supplies, staff development, travel expenses, auto expenses, printing and dues, equipment expense, rent and building insurance, utilities, property repair and maintenance, postage, telecommunication, contracted services, audit fees, payroll fees, master leasing and client assistance expenses (rent and utility deposit, assistance and arrearage payments).

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Major Balance Sheet Accounts

- Cash
- Accounts Receivable
- Furniture, Fixtures, and Equipment
- Accounts Payable
- Contract Liability
- Restricted and Unrestricted Funds
- Accrued liabilities
- Security Deposits
- Prepaid Expenses
- Payroll Taxes and Benefits Payable

Accounting Software

HOPE uses the MIP Fund Accounting System.

Assistance to the Auditor

During the audit, HOPE will provide the following assistance to the auditor:

- Preparation of Draft Financial Statements
- Preparation of working trial balance
- A detailed general ledger report
- Preparation of schedules - based upon auditor assistance letter
- Access to filed and electronic documents - based upon auditor assistance letter
- Access to specific organization leadership and staff members as requested
- Appropriate on-site workspace

Proposal Specifications

In order to assist us in evaluating the proposal, please provide your firm's response to the above RFP in an executive summary addressing the points noted below. The executive summary should be limited to no more than five (5) pages in length. Separate supporting schedules may be provided with biographical information, client references, and information about the firm's capabilities. Signed certification (form appended) is required.

- Describe what makes your firm uniquely qualified to provide the professional services HOPE requires.
- Include a general discussion of your firm's basic approach to performing an audit and the resulting advantages for HOPE.
- Identify the engagement team who will be performing the work, including their qualifications and experience.

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- Explain how your firm will provide for continuity of staff during HOPE’s audit, and from year to year.
- In order for HOPE to assess your firm’s ability to staff an audit, provide information about the size and mix of your staff in the local office. You may also wish to furnish specific information about other resources that would be available to HOPE should your firm be selected.
- Indicate the expected scheduling of the audit. (Delivery of the audited financial statements and management letter can be no later than April 15, 2025.)
- Provide information regarding your audit including:
 - The estimated number of hours to be spent by various levels of staff and the approximate rate per hour of each. Indicate whether or not out-of-pocket expenses are included in your fee structure.
 - Describe how you bill for overruns. Explain how HOPE can reduce any overruns. Explain how HOPE can be assured of no “surprise” billings.
 - State your firm’s philosophy on billing for advice and counsel during the year.
- Provide detailed cost schedules for each major element of the audit engagement, including but not limited to Financial Services and Tax Services (990).
- Indicate ways in which HOPE’s staff and resources might be used to minimize audit costs.
- Comment on the impact any auditor transition could have upon HOPE and any associated charges.
- Provide a list of your other nonprofit association clients who are similar to HOPE. Delineate these similarities. Please provide the name and telephone number of a contact person. This person should be in a position to comment on your firm’s performance in providing the services we are now seeking.
- Provide any other information you deem appropriate.

Proposal Deadline

The deadline for receipt of your written proposal submission is 4:00 PM (HST) Friday, May 31, 2024. Proposals received after this date will not be considered. Subsequent to receipt and evaluation of responses, selected firms may be required to make a brief oral presentation to HOPE staff, as well as the HOPE Finance Committee if deemed necessary. The Partner/Principal in charge of the engagement should make the presentation, and the planned senior “on-site” auditor should also be present and available for questions.

Term of Proposal

The term of your proposal should be for fiscal year ended August 31, 2024. Upon approval from HOPE Services’ Hawaii Inc.’s Governing Board of Directors and mutual agreement, this term may be extended to a multi-year agreement.

Billing

Progress payments may be billed for services rendered in the prior month.

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Criteria for Selections

Bidders shall be evaluated based on the following evaluation scoring.

- Lowest Price (15 points)
- Experience and past experience on similar contracts (10 points)
- Ability to meet the established project completion schedule (15 points)
- Past experience of procurement by HOPE (10 points)

Selection Schedule

HOPE intends to proceed with the following tentative schedule for the selection:

- | | |
|-------------------------------------|-------------------|
| ● Request for Proposals Published | May 10 - 13, 2024 |
| ● Proposal Due Date | May 31, 2024 |
| ● Review of Proposals | June 3 - 7, 2024 |
| ● Finance Committee Final Selection | June 12, 2024 |
| ● HOPE Award Notification | June 21, 2024 |

Additional information

Firms may request to inspect previously (up to 2 years) audited financial statements and 990's. Requests should be addressed to Shelly Toledo.

Nonresponsive Proposals

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

- The proposal is not received by the deadline;
- The proposal does not follow the specified format;
- The proposal does not include the signed "Certification" form; or
- The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with Generally Accepted Auditing Standards and Government Accounting Standards.

Right to Reject

HOPE reserves the right to accept or reject any and all proposals and to select the one it considers most advantageous, aligned with the evaluation criteria above. If it becomes necessary to revise any part of the RFP or otherwise provide additional information, an addendum will be issued by HOPE and furnished to all firms that responded to the original RFP. All proposals become property of HOPE and will be treated with respect and confidence, in regard to proprietary information.

CERTIFICATION

On behalf of the CPA Firm: _____

The individual signing certifies that he or she is authorized to contract on behalf of the CPA Firm.

The individual signing certifies that the CPA 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 CPA Firm.

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.

The individual signing certifies that at least one of the audit team members of the CPA Firm is a Certified Public Accountant licensed by the State of Hawaii Board of Public Accountancy.

The individual signing certifies that the CPA Firm meets all the general standards concerning qualifications, independence, due professional care, and quality control as required by Generally Accepted Auditing Standards and Government Auditing Standards, including the requirements for continuing professional education and external peer reviews. (Please include copy of most recent review.)

The individual signing certifies that he or she has read and understands the following publications relative to the proposed audit:

- AICPA Generally Accepted Auditing Standards; and GAO Government Auditing Standards;
- 2 CFR 200 - Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards
- Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) relative to the engagement, such as No. 157 & 158

The individual signing certifies that he or she has read and understands all the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited.

The individual signing certifies that the CPA Firm, and any individuals to be assigned to the audit, 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 CPA Firm or any individual to be assigned to the audit has been found in violation of any AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 2024.

CPA Firm's Name _____

Signature of CPA Firm's Representative _____

Printed Name and Title of Individual Signing _____