

THE SENIOR ALLIANCE
REQUEST FOR PROPOSAL (RFP)
AUDITING SERVICES

I. INTRODUCTION

A. General Information

The Senior Alliance hereafter known as “TSA” is requesting proposals from qualified firms of certified public accountants to audit its financial statements for Fiscal Years 2025, 2026 and 2027. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to the financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the federal Single Audit Act and with the requirements of the Title 2 U.S Code of Federal Regulations part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Any additional standards relating to audits of States and Local Governments and Nonprofit Organizations, as well as the laws and standards prescribed by the State of Michigan and its Treasurer.

TSA is also including in this request for proposals from qualified firms of certified public accountant to audit the agency’s defined contribution 403b Thrift Plan for Plan Years ending 2025, 2026 and 2027. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). These audits are to be performed in accordance with applicable laws and regulations related to 403b plans.

B. Term of Engagement

A three-year contract is contemplated. Each year shall be subject to the annual review and recommendation of TSA’s Finance Committee.

C. Subcontracting

Firms submitting proposals are to disclose subcontracting of any portion of the engagement to other audit firms and identify the firms in the proposal. If this is to be done, the name of the proposed subcontracting firms must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the expressed prior written consent of TSA.

D. Full-Service Office

The proposer must have an office located within commuting distance from Dearborn, Michigan.

II. DESCRIPTION OF TSA

The Senior Alliance, Area Agency on Aging 1-C, is a private non-profit agency that has been designated as both an Area Agency on Aging and a hub for human services for the Southern & Western Wayne County, Michigan. The Senior Alliance serves as the focal point for older adults in the region, by funding and administering a network of services. The Senior Alliance also arranges for services to qualified older adults and individuals living with disabilities as part of the MI Choice Waiver program in Michigan.

TSA's mission is "Assisting people to thrive as they live, age, and grow." TSA management is committed maintaining accountability in all areas of our agency operations. We are pleased to the report that the agency is financially stable.

Basis of Accounting

TSA prepares its financial statements on the accrual basis in accordance with U.S. generally accepted accounting principles.

Magnitude of Finance Operations

The Fiscal department is headed by a Chief Financial Officer, and consists of 6 employees. The principal functions performed and the number of employees assigned to each is as follows:

<u>Functions</u>	<u>Number of FTEs</u>
Accounting Manager	2
Accounting Specialist	3
Data Processor	1

Financial and Data Processing Systems

TSA utilizes Financial Edge by Blackbaud accounting software.

Internal Audit Function

TSA currently does not have an internal audit function.

Information on 403B Plan

TSA has a 403b thrift plan which is a large plan and requires an annual audit. We are asking audit firms to include in the bid the audit of this 403b plan for plan years ending December 31, 2025, 2026, and 2027. The plan provides for TSA to make a 3% employer match and 8.5% discretionary base (does not require employee contribution) of each participating employee's gross wages. The plan is managed by Mutual of America. The number of participants in the plan as of plan year end 2023 was 150. Total assets held in the plan for the plan year end 2023 was \$6,092,028

TSA uses a service organization (Paycor) for all payroll processing functions. Paycor provides TSA with a SOC 1 report regarding all internal controls at the service organization. As a result, this is a limited scope audit.

II. NATURE OF SERVICES REQUIRED

Scope of Work to be Performed

TSA desires the audit firm to express an opinion on the fair presentation of its comparative financial statements in conformity with accounting principles generally accepted in the United States. In addition, the engagement will include preparation of Form 990. Return of Organization Exempt from Income Tax; State of Michigan Form DAG 009-005-Application for License to Solicit Donations; and Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations. Audit firms should also include in the bid the audit of TSA 403b defined contribution plan.

The estimated number of copies that TSA will require for each report is as follows:

- Financial Statements-20 copies
- Financial Statements-(1) PDF
- Form 990- 1 copy, PDF
- State of Michigan Form DAG 009-005-1 copy
- Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations-1 copy
- 403b Financial Statements-3 copies
- 403b Financial Statements-(1) PDF

Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with auditing standards generally accepted in the United States as set forth by the American Institute of Certified Public Accountants, and Government Audit Standards, as set forth by the Government Auditing Standards Board.

The 403b Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Deliverables/Reports to be issued

- Independent Auditors Report
- Financial Statements
 - Statement of Financial Position
 - Statement of Activities
 - Statement of Functional Expenses
 - Statement of Cash Flows
 - Notes to Financial Statement
- Supplementary Information
 - Schedule of Funded Service Categories by Source
 - Schedule of Expenditures of Federal Awards
 - Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's report on Internal Controls over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with the government auditing standards.
- Independent Auditor's report on Compliance for each Major Federal programs and Internal Control over compliance required by the Uniform Guidance

Following the completion of the audit, the firm shall issue the following reports:

- Report on the fair presentation of the financial statements in accordance with U.S. Generally accepted accounting principles.
- Independent auditors' report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
- Independent auditors' report on compliance with requirements applicable to each major program and internal control over compliance in accordance with the Uniform Guidance.
- Schedule of expenditures of federal awards
- Schedule of findings and questioned costs
- Reportable conditions/material weakness letter, if applicable

It is anticipated that the reports mentioned above will be contained as part of one "single audit" report in appropriate format.

In addition to the above audit reports, the firm will also deliver completed Form 990, State of Michigan Form DAG 009-005 and Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations to TSA.

403B Audit Deliverables

- Independent Auditors Report
- Financial Statements
 - Statement of Net Assets Available for Benefits
 - Statement of Changes in Net Assets Available for Benefits
 - Notes to Financial Statements
- Supplementary Information
 - Schedule of Assets Held at End of Year

Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditing firm's expense, for a minimum of ten (10) years, unless the firm is notified in writing by TSA of the need to extend the retention period. The audit firm will be required to make working papers available upon request by TSA. Reports, documents, and working papers will only be released with specific written permission and direction from TSA.

In addition, the firm shall respond to reasonable inquiries of successor firms and allow successor audit firms to review working papers relating to matters of continuing accounting significance.

III. TIME REQUIREMENTS

The following is the calendar of events related to this RFP:

EVENT

DATES/DEADLINES

Issue Request for Proposals (RFP)
(on TSA website)

04/30/2025

Written Questions (if any) regarding LOI, email
auditrfp@thesenioralliance.org by EOB 5:00 p.m

05/09/2025

**Deadline for sending
Letter of Intent (LOI),**

email auditrfp@thesenioralliance.org by EOB 5:00 p.m. 05/20/2025

Written Questions (if any) regarding proposal, email
auditrfp@thesenioralliance.org by EOB 5:00 p.m. 06/06/2025

**Deadline for submission of
Proposals to TSA,**

email auditrfp@thesenioralliance.org by EOB 5:00 pm 06/13/2025

Final Evaluation of Proposals by committee
And review of management recommendation 8:30 am 06/26/2025
(Oral Presentations by audit firms may be requested)
Final selection of the Audit firm

Audit Schedule

A schedule for the audit must be submitted with the firm's proposal and must contain the following milestones:

1. Interim work plan
2. Detailed audit plan
3. Fieldwork
4. Draft Reports

Report Due Dates

- A final audit report including financial statements and single audit shall be delivered to TSA's Board of Directors by March 2026
- Form 990 shall be delivered to TSA by March 2026
- State of Michigan Form DAG 009-005 shall be delivered to TSA by March 2026
- Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations shall be delivered to TSA by April 2026
- The 403b audit must be completed and report issued by September 2026

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

Financial staff and Clerical Assistance

TSA's finance staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of any confirmations will be the responsibility of TSA.

Information Systems Assistance

Information Systems personnel will be available to provide systems documentation and explanations.

Statements and Schedules to be Prepared by the Staff of TSA

TSA's finance staff will prepare statements and schedules for the firm wherever possible and appropriate.

Work Area

For any work required to be done on-site TSA will provide the firm with reasonable workspace.

Report Preparation

Report preparation, editing and printing shall be the responsibility of the selected firm. Report drafts will be reviewed by the Chief Financial Officer and Accounting Managers before final reports are issued.

TSA In-Kind Services

Additionally, the firm's proposal may include any in-kind services that could contribute to the successful completion of the contract, as deemed necessary.

VI. PROPOSAL PREPARATION AND SUBMISSION PROCEDURES

There is no expressed or implied obligation for TSA to reimburse firms for any expense incurred in preparing proposals in response to this RFP. Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP unless clearly and specifically noted in the submitted proposal and is confirmed in the written contract between TSA and the selected firm.

TSA reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal, unless clearly specifically noted in the proposal submitted and confirmed in the contract between TSA and the selected firm.

VII. CONTENT OF PROPOSALS

The purpose of the proposal is to demonstrate competence, experience, and capability of the firm seeking to undertake this request for proposal. As such, the substance of the proposals will carry more weight than their form or manner of presentation.

Detailed Proposal

The proposal should address all points outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the firm's capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following subjects, item numbers 1 through 2 must be included. They represent the criteria against which the proposal will be evaluated.

1. Independence

- The firm should provide an affirmative statement that it is independent of TSA as defined by the U.S. General Accounting Office's Governmental.
- The audit firm should also provide an affirmative statement that it is independent of all of the contracted service providers of TSA as defined by those same standards.
- The firm should also list and describe the firm's professional relationships involving TSA or any of its contracted service providers for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

2. License to Practice in Michigan

An affirmative statement should be included indicating the audit firm and all assigned key professional staff are properly licensed to practice in Michigan.

3. Firm Demographics

The proposal should state the size of the firm, size of the firm's non-profit/governmental audit staff, location of the office from which work on this engagement is to be performed, the number and nature of professional staff to be employed in this engagement on a full-time basis and the number and nature of staff to be employed on a part-time basis.

If the proposer is a joint venture or consortium, the demographics of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable. The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific non-profit/government engagements.

The audit firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. Partner Supervisory and Staff Qualifications and Experience

The audit firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Michigan. The firm should also provide information on the non-profit auditing experience of each person.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement would be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of TSA. However, in either case TSA retains the right to approve or reject replacements.

5. Engagement Expertise

For the firm's office that will be assigned responsibility for the audit, list at least **three** engagements performed in the last five years that are similar to the engagement described in this RFP. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed. The work plan should also describe how the firm will achieve audit and tax form preparation efficiency through risk-based auditing and through the

application of technology to the engagement.

7. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from TSA.

9. Cost

The proposal should contain all pricing information relative to performing the engagement as described in this RFP. The total all-inclusive maximum price is to contain all direct and indirect costs including all out-of-pocket expenses.

The cost proposal should include:

- a. A not-to-exceed cost of services being offered for the audit of each fiscal year, Form 990, State of Michigan Form DAG 009-005 and Data Collections Form.
- b. Number of hours estimated to complete the engagement. These hours should be broken down by partner, manager, supervisor, senior staff accountants, etc.
- c. Estimate of any other costs such as mileage, travel, clerical and/or secretarial time, etc.
- d. TSA will be billed actual hours if less than quoted in the "not-to-exceed" price.

10. Conflict of Interest

The firm must indicate any potential conflict of interest that exists in regard to their ability to respond to this RFP. This includes a description of the firm's relationship to TSA or any of its agents/agencies, component units/agencies or oversight unit, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the services outlined in the proposal. Pursuant to the provisions of Public Act 317 of 1968, as amended (M.C.L. 15.321 et seq.), no contracts shall be entered into between TSA including all agencies and departments thereof, and any employee or officer of TSA. To avoid any real or perceived conflict, all bids and contracts shall to the extent possible, identify any relative of the contractor or the contractor's employees who are presently employed by TSA.

11. Internal quality control procedures and external quality control reviews

The firm must describe internal quality procedures and quality control reviews performed by external firms.

12. References

Please provide a minimum of three (3) references that TSA may contact regarding audit services provided by your firm. Please include entity name, contact person's name and position, address, phone number and email address

VIII. SELECTION PROCESS

An Advisory Committee has been formed to judge the proposals.

Criteria for selection process:

- a. Completeness of proposals
- b. Number of Area Agency on Aging(AAA) or Non Profit Organizations audited by the CPA firm proposing
- c. Firm Resources
- d. Quality of staff assigned to assignment
- e. Training of Staff
- f. Internal quality control procedures and external quality control reviews
- g. Reference Responses
- h. Cost
- i. Audit Approach
- j. Ability to Service TSA's best interest

Rating process:

The advisory committee will employ a weighted rating process. Each member of the committee will use a scale of 1 through 5 with 5 being the highest rating in each of the 10 categories. At the completion of the rating, each rate will be multiplied by the weight for the category. A maximum of 1000 points may be awarded assuming all categories received the maximum rating of 5. The weightings will be as follows:

CATEGORY	WEIGHT
Completeness of proposals	10
# of AAA or non profit firm audited by CPA firm	30
Qualifications:	
Firm Resources	20
Quality of Staff	25
Training of Staff	20
Quality control practices	25
Reference Responses	10
Cost	30
Audit Approach	10
Ability to Serve TSA's best interest	20

TSA reserves the right to:

- a. retain all proposals submitted and to use any ideas in a proposal regardless of whether or not that proposal is selected;
- b. reject any and all proposals, awarding the contract to other than the lowest priced vendor, and to waive irregularities and/or formalities;
- c. accept any proposal, which in its judgment best serves TSA's interest;
- d. modify the above criteria for the selection process.

If the selection criteria are modified, TSA will notify each proposer who has submitted a confirmation of interest. Submission of a proposal indicates acceptance by the vendor of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and contained in the contract between TSA and the selected vendor.

X. FIRM ASSURANCES

In that the selected firm will be required to assume responsibility for all services offered in their proposal, TSA will consider the selected firm to be the sole point of contact with regard to any subcontractors. In connection with the performance of work under a contract with TSA, the contractor must agree not to discriminate against employees or applicants for employment on the basis of race, religion, color, national origin, or disability. The aforesaid provision shall include but not be limited to the following: recruitment or recruitment advertising; employment, upgrading, demotion, or transfer; layoff and selection or training, including apprenticeship, in accordance with rules and regulations promulgated by various Federal agencies.

Also, the selected CPA firm will maintain records of all staff time, staff costs, and direct costs expensed in performing all work under any contract resulting from this RFP. The contractor shall permit TSA and/or any authorized individuals to inspect and audit all data and records of the contractor relating to performance for a period of up to three (3) years after completion of this project.

XI. FREEDOM OF INFORMATION ACT

Firms are hereby notified that all information contained in their proposal is subject to the provisions of the Michigan Freedom of Information Act