



## REQUEST FOR PROPOSALS (RFP)

Community HealthCare Association of the Dakotas (*CHAD*) will receive proposals for audit services relating to the annual audits for the 3 years ending June 30, 2022, 2023 and 2024. Attached is information relating to minimum specifications of services, data to be included in the proposal, evaluation criteria, and selected information relating to the entity to be audited. All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the firm and will not be reimbursed by *CHAD*.

Proposals will be accepted until noon July 8, 2022.

If emailed, the proposals should be emailed to:  
[deb@communityhealthcare.net](mailto:deb@communityhealthcare.net)

If mailed, the proposals should be mailed to:  
Deb Esche  
CHAD  
Director of Finance and Operations  
196 E. 6<sup>th</sup> Street  
Suite 200  
Sioux Falls, SD 57104

It is the responsibility of the firm to ensure that the proposal is received by CHAD by the date and time specified above. Further information may be obtained from the Director of Finance and Operations at 605-275-2423.

## **SPECIFIC REQUIREMENTS**

1. *CHAD* reserves the right to reject any and all proposals received.
2. Only proposals received at the location described and in the time frame given will be considered.
3. The proposal should be completed and submitted for consideration.
4. Efforts will be made by *CHAD* to utilize small and minority-owned businesses.
5. It is expected that a decision selecting the successful audit firm will be made within two (2) weeks of the closing date from the receipt of proposals. Upon conclusion of final negotiations with the successful audit firm, all firms submitting proposals in response to the Request for Proposal will be informed, in writing, of the name of the successful audit firm.
6. The audit shall be performed in accordance with the following:
  - U.S. Generally Accepted Auditing Standards
  - The standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
  - OMB Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations"
7. The fees quoted in your proposal and included in the contract will be the maximum paid, unless both parties complete an amendment to the contract.
8. The audit must be completed by November 1<sup>st</sup>, 2022, November 1<sup>st</sup>, 2023 and November 1<sup>st</sup>, 2024 with copies of the report for the Chief Executive Officer, Director of Finance and Operations and members of the Board of Directors delivered by that date. A presentation to the Finance Committee and Board of Directors during the months of November, 2022, November, 2023 and November, 2024 will be made by the auditor.
9. The audit report should conform to any standard reporting formats issued by the Auditor of State's office and/or any existing AICPA Audit Guides and, if applicable, the requirements of the OMB Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations".
10. An exit conference with the Chief Executive Officer and Director of Finance and Operations, and the firm's representatives will be held at the conclusion of the fieldwork. It should include internal control and program compliance, observations, and recommendations.
11. The firm will provide a copy of the audit documentation pertaining to any questioned costs identified in the audit. The audit documentation must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
12. The audit report should include a management letter, if appropriate, which includes recommendations affecting the financial statements, internal control, accounting systems, and legality of actions.
13. The final report will be provided in digital format.

## **DATA TO BE INCLUDED IN PROPOSAL**

Proposals should include the following items:

### **A. Letter of Transmittal**

A letter of transmittal briefly outlining the firm's understanding of the work and general information regarding the firm and individuals to be involved is limited to a maximum of two pages. The letter should clearly identify 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. Profile of Firm Proposing**

1. State whether the firm is a local, regional, or national firm and include a brief description of the size of the firm.
2. State whether the firm is in compliance with the registration and permit requirements to engage in the practice of public accounting in South Dakota.
3. Describe the local office from which the work is to be performed.
  - a. Location of office.
  - b. Current size of the office.
  - c. The size of professional staff by level, such as partner, manager and supervisor, senior, and other professional staff.
  - d. The number of CPA's in the office.
4. Any other information required to describe the office that will be performing the work.

### **C. Qualifications**

1. Describe the recent local office auditing experience with similar audits to which the proposal relates.
2. Include resumes of all key professional members who will be assigned to the audit. Résumés should be included for at least the audit team from the audit partner and the on-site in-charge auditor. The résumés should include:
  - a. The amount of experience the individual has in the auditing profession and on similar audits.
  - b. A statement affirming the continuing professional education of the individual is in compliance with standards as issued by the Comptroller General of the United States.
  - c. A statement whether the individual is independent, as defined by applicable auditing standards.
3. Briefly describe the firm's system of quality control to ensure the audit is adequately performed.
4. Include a copy of the firm's latest peer review report.
5. Include three audit client references.

### **D. Scope of Services and Proposed Project Schedule**

Briefly describe the firm's 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, including the approximate dates the firm would perform field work, office review, and report preparation and the latest delivery date of the final report.

**E. Fees and Compensation**

Provide a fixed fee for the audit services. An optional fixed fee for 990 tax return preparation may also be included if the firm engages these services.