



O'Farrill Learning Center

"Quality Care by Qualified Staff"

6741 S.W. 24th Street, Suite 31

Miami, Florida 33155

(305) 264-3232 / Fax (305) 262-2339

info@oflcfamily.org

Request for Proposal

For Audit Services

for the period:

January 1, 2023 to December 31, 2023

Inquiries and proposals should be directed to:

Name: Sonia O'Farrill

Title: Executive Director

Entity: LLIRRAFO, Inc.

D/B/A: O'Farrill Learning Center

Address: 6741 SW 24th Street, Suite 31, Miami, FL 33155

Phone: 305-264-3232 Ext 2001

Email: sonia@oflcfamily.org

**LLIRRAFO, Inc. d/b/a O’Farrill Learning Center
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GENERAL INFORMATION

A. Purpose

LLIRRAFO, Inc. d/b/a O’Farrill Learning Center is a non-profit, nationally accredited organization providing educational services to children ages 0 to 11. Our organization receives federal, state, and local funding and is requesting bids for an Annual Audit and a Program Specific/Single Audit as required by the Children’s Trust for the year ended December 31, 2023. The Audit should be inclusive of financial statements, which comprise the statement of financial position as of December 31, 2023, the related statements of activities, functional expenses, cash flows for the year then ended, and related notes to the financial statements.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date: Proposal must be submitted no later than 4:00 PM on January 24, 2024.
2. Inquiries: Inquiries concerning this RFP should be directed to Sonia O’Farrill at 305-264-3232 Ext 2001 or sonia@oflcfamily.org
3. Conditions of Proposal: All costs incurred in the preparation of a proposal to this RFP will be the responsibility of the Offeror and will not be reimbursed by LLIRRAFO, Inc.
4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Sonia O’Farrill

Title: Executive Director

Entity: LLIRRAFO, Inc. d/b/a O’Farrill Learning Center

Address: 6741 SW 24th Street, Suite 31, Miami, FL 33155

Phone: 305-264-3232 Ext 2001

Email: sonia@oflcfamily.org

It is important that the Offeror’s proposal be submitted in a sealed envelope, clearly marked in the lower left-hand corner with the following information:

**LLIRRAFO, Inc. d/b/a O’Farrill Learning Center
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Sealed Proposal For Audit Services
4:00 PM January 24, 2024

It is the responsibility of the Offeror to ensure that the proposal is received by LLIRRAFO, Inc. by the date and time specified above.

Late proposals will not be considered.

5. Electronic Submissions will be accepted.
6. Right to Reject: LLIRRAFO, Inc. reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based upon the factors described in this RFP.
7. Notification of Award:
 - a. It is expected that a decision on selecting the successful auditing firm will be made on or about January 31st, 2024 pending board of director approval.
 - b. Upon conclusion of final negotiations with the successful auditing firm, all Offerors submitting proposals in response to this Request for Proposal will be informed, in writing, of the name of the successful auditing firm.
 - c. It is expected that the contract shall be a one-year, fixed-price contract, with options for four additional one-year periods.
8. Small and/or Minority-Owned Businesses: Efforts will be made by LLIRRAFO, Inc. to utilize small businesses and minority-owned businesses. An Offeror qualifies as a small business firm if it meets the definition of “small business” as established by the Small Business Administration (13 CFR 121.201).

SPECIFICATION SCHEDULE

A. Audit Scope and Objectives

The Offeror will audit the financial statements of LLIRRAFO, Inc., which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements (the financial statements). Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor’s report on the financial statements:

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1. Schedule of Expenditures of Federal Awards.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America, and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

B. Description of Programs/Contracts/Grants

LLIRRAFO, Inc. is primarily a Head Start and Early Head Start subrecipient under the Miami Dade County Community Action and Human Services Department grantee serving 242 children in the Head Start Program and 8 children the Early Head Start Program. Federal funding received from the Department of Health and Human Services. The 2022-2023 Head Start grant totaled \$1,891k in federal funds with \$455k in non-federal share. The 2023-2024 Head Start grant totals \$2,039k in federal funds with \$469k in non-federal share. The 2022-2023 Early Head Start grant totaled \$117k in federal funds with \$28k in non-federal share. The 2023-2024 Early Head Start grant totaled \$127k in federal funds with \$29k in non-federal share.

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Other services which receive funding are summarized as follows:

- Child and Adult Care Food Program (CACFP). LLIRRAFO, Inc. operates a funded CACFP program to serve meals and snacks at our centers. This is a federally (USDA) reimbursed program under the agreement with the FL Department of Health. Approximate funding is \$224k with no matching non-federal share.
- Out of School Program (OOS). LLIRRAFO, Inc. operates an afterschool program of approximately 60 children, ages 6-12. This non-federal funding is provided by The Children’s Trust (TCT). Approximate funding is \$228k.
- Volunteer Pre-Kindergarten and School Readiness (VPK & SR). LLIRRAFO, Inc. has contracts with the Early Learning Coalition (ELC) of Miami-Dade and Monroe to provide school readiness services for children entering Kindergarten. This non-federal funding is provided by the Florida Department of Education. Approximate funding is \$232k.
- Early Literacy and School Readiness Program. LLIRRAFO, Inc. operates an early literacy program for 174 children. This non-federal funding is provided by Miami Dade County Office of Management and Budgets (OMB) Community-Based Organization (CBO) grant. Approximate funding is \$188k.
- Other miscellaneous funding sources may vary from year to year.

C. Auditor’s Responsibilities for the Audit of the Financial Statements and Single Audit

The Offeror will conduct the audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, the Offeror will exercise professional judgment and maintain professional skepticism throughout the audit.

The Offeror will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. It will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. It will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

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The Offeror will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. It will include such matters in the reports required for a Single Audit. It will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization’s ability to continue as a going concern for a reasonable period of time. Procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions.

The Offeror will maintain internal policies, procedures, and safeguards to protect the confidentiality of LLIRRAFO, Inc.’s personal information. In addition, it will secure confidentiality agreements with all service providers to maintain the confidentiality of our information and will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of our confidential information to potential third-party service providers. In the event that it is unable to secure an appropriate confidentiality agreement, LLIRRAFO, Inc. will need to provide consent prior to the sharing of its confidential information with the third-party service provider.

D. Audit Procedures

Internal Controls

The Offeror will obtain an understanding of the Organization and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. As required by the Uniform Guidance, the Offeror will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that are considered relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. During the audit, it will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

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Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Offeror will perform tests of the Organization’s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and will not express such an opinion in the audit report on compliance issued pursuant to *Government Auditing Standards*. The Uniform Guidance requires that there is reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. The Offeror’s procedures should consist of tests of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the Organization’s major programs. For federal programs that are included in the Compliance Supplement, the Offeror’s compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Organization’s compliance with requirements applicable to each of its major programs in the report on compliance issued pursuant to the Uniform Guidance.

E. Delivery Schedule

The Offeror is to transmit a copy of the draft audit to the LLIRRAFO, Inc. Executive Director, prior to submission of the final draft for review.

The Offeror shall deliver final audit reports to LLIRRAFO, Inc.’s Board of Directors no later than June 30, 2024 as follows:

- Five to the LLIRRAFO, Inc. Board of Directors
- One to the LLIRRAFO, Inc. Executive Director
- As many as necessary for the appropriate governmental oversight agencies including but not limited to the FL Department of Health and the Federal Audit Clearinghouse.

Reports may be submitted earlier than the schedule above. A final PDF file with all applicable audit schedules is required to be sent electronically.

F. Price

The Offeror’s proposed price must include information indicating how the price was determined. The pricing information should indicate any appropriate discounts that will be afforded to LLIRRAFO, Inc.

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G. Payment

Payment will be made when LLIRRAFO, Inc. has determined that the total work effort has been satisfactorily completed. Should the report be rejected, an authorized representative will notify the Offeror in writing of such rejection, citing the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Progress payments may be allowed to the extent that LLIRRAFO, Inc. can determine satisfactory progress is being made.

Upon delivery of the final reports, and after their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

TECHNICAL QUALIFICATIONS

The Offeror, in its proposal, shall, as a minimum, include the following:

- a. Prior Auditing Experience
- b. Organization, Size, and Structure
- c. Staff Qualifications
- d. Certification – as attached to this RFP

PROPOSAL EVALUATION

A. Submission of Proposals

All proposals shall include the Offeror’s technical qualifications, the pricing information, and the signed Certification. These documents will become part of the contract. The proposal should follow the outlined above Technical Qualifications a through d.

B. Nonresponsive Proposals

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

1. The proposal is not received in a timely manner in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certifications.
4. The proposal is not adequate for the reviewers to form a judgment that the proposed undertaking would comply with the *Government Audit Standards* of the U.S. Comptroller General.

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C. Proposal Evaluation

Evaluation of each proposal will be scored on the following four factors:

1. Prior Experience auditing:
 - a. Non-profit organizations (0-10 points)
 - b. Programs financed by the Federal Government (0-10 points)
 - c. Similar programs financed by the state of Florida (0-10 points)
 - d. Similar county or local government activities (0-10 points)
2. Organization, Size, and Structure of the Offeror’s firm:
 - a. Adequate size of the firm (0-5 points)
 - b. Minority-owned/small business (0-5 points)
3. Qualifications of the staff to be assigned to the audits to be performed:
 - a. Audit team makeup (0-10 points)
 - b. Overall supervision to be exercised (0-5 points)
 - c. Prior experience of the individual audit team members (0-10 points)
4. Price (0-25 points)

Maximum points will be 100 points.

D. Review Process

LLIRRAFO, Inc. at its discretion, may request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors’ proposals.

However, LLIRRAFO, Inc. reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints that the Offeror can propose.

LLIRRAFO, Inc. contemplates award of the contract to the responsible Offeror with the highest total points on or about January 31, 2024.

REFERENCE MATERIAL

2 CFR Part 200, Appendix XI – Compliance Supplement May 2023

[2023 Compliance Supplement – 2 CFR Part 200 Appendix XI \(whitehouse.gov\)](https://www.whitehouse.gov/presidential-action/2023-compliance-supplement-2-cfr-part-200-appendix-xi/)

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CERTIFICATION

On behalf of the Offeror:

1. The individual signing certifies that they are authorized to contract on behalf of the Offeror.
2. The individual signing certifies that the Offeror 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 Offeror.
3. 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.
4. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant, or a public accountant licensed on or before January 1, 2024.
7. The individual signing certifies that the Offeror meets the independence standards of the *Government Auditing Standards*.
8. The individual signing certifies that they are aware of and will comply with GAO’s Continuing Education Requirement of 80 hours of continuing education every two years and 24 hours of the 80 hours of education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that they are aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
10. The individual signing certifies that they read and understand the following publications relative to the proposed audits:
 - a. *Government Audition Standards* (Yellow Book)
 - b. *OMB Circular A-136 – Compliance Supplement*
 - c. *AICPA Audit Guide*
 - d. *Head Start Policy and Regulations 45 CFR Part 75*
 - e. 2 CFR Chapter I, Chapter II, Part 200, et al. Uniform Administrative
 - f. *Audits of State and Local Government* (AICPA Audit Guide)
11. The individual signing certifies that they have read and understand all of the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited.

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

Date this _____ day of _____, 20_____

(Offeror’s Firm Name)

(Signature of Offeror’s Representative)

(Printed Name and Title of Individual Signing)