

**Colorado Legal Services, Inc.
Request for Proposals
Financial Audit and Tax Services
November 2023**

Colorado Legal Services, Inc. (CLS), located at 1905 N. Sherman Street, Suite 300, Denver, Colorado 80203 invites independent Certified Public Accountants (CPA), licensed to practice in the State of Colorado to submit proposals to conduct an audit, compliance review, 990 tax submission of its financial accounts and records for the fiscal year ending December 31, 2023, in accordance with the specifications enumerated in this proposal. CLS hopes this will lead to a long-term relationship for several years with the successful firm.

The proposal request, evaluation, and selection timetable are as follows:

1. A response should be delivered to CLS by December 31, 2023 to:

emontoya@colegalserv.org

or

Colorado Legal Services
Attn: Edgar McCullough, Director of Finance
1905 N. Sherman Street, Suite 300
Denver, CO 80203

If you are interested in submitting a proposal, we will make available to you:

- Current Financial Statements
 - 2022 Financial Statement with Independent Auditors' Report
 - 2022 990 Tax Return
 - Report to Governance
 - An organizational chart
 - Other documents as requested by you for preparation of a proposal
2. Questions may be addressed in writing to emccullough@colegalserv.org
 3. Audit firm interviews will be scheduled in December or January.
 4. An announcement of the audit firm that is selected by the CLS Board of Directors (Board) is expected on or before January 15, 2024.

SUMMARY OF SERVICES REQUESTED:

- Conduct the annual audit of CLS's financial statements in accordance with generally accepted auditing standards, government auditing standards, federal Uniform Guidance, and the Legal Services Corporation (LSC) Audit Guide for Recipients and Auditors.
- As part of the audit, conduct the additional audit work required by LSC, our major federal funder. LSC requires significant auditor compliance testing, additional supplementary schedules, and various disclosures as noted in the LSC Audit Guide for Recipients and Auditors and as part of the LSC Compliance Supplement. Please refer to the following for more detailed information:
 - LSC Office of Inspector General (OIG) website:
https://www.oig.lsc.gov/images/pdfs/ipa_resources/LSC_OIG_Audit_Guide_for_Recipients_and_Auditors_2023.pdf
 - Compliance Supplement:
https://www.oig.lsc.gov/images/pdfs/ipa_resources/LSC_OIG_Appendix_A_Compliance_Supplement_Oct_2023.pdf
- Prepare and submit:
 - Data Collection Form pursuant to the Uniform Guidance.
 - Electronic submission of the financial statements and compliance reports to LSC Office of the Inspector General pursuant to LSC Regulations, currently 120 days after fiscal year end.
- Communicate during the planning stages and at completion of the audit with the Board's Finance and Audit Committee regarding audit results, the nature of the audit process, and any significant fiscal and management issues or recommendations.
- Report to Governance
- Be available to make presentations to the Finance and Audit Committee and to the full Board of Directors.
- Prepare and submit the annual Form 990 by May 15, 2024.
- Provide additional advice and consultation as needed.

WRITTEN RESPONSE:

If you would like to be considered for this engagement, please submit a written response specifically addressing or including the following:

- Attributes of your firm:
 - Overview of your firm, including the number of professional staff by area of concentration (audit, tax, consulting, etc.).
 - A general description of clients served by your firm or office with emphasis on law firms, not-for-profit corporations, and professional associations.
 - Relevant experience in auditing, grant compliance testing, not-for-profit accounting, and Uniform Guidance.
 - Relevant experience in the additional audit work required by the Legal Services Corporation (LSC) and LSC Audit requirements.
 - Relevant experience in Form 990 preparation and review.
 - Experience with legal services programs and not-for-profit entities.
 - Names and experience of the partner and manager/supervisor to be assigned to the engagement.
 - A list of client references.

- Engagement Services
 - Formulate and propose annual timeline of tasks to complete the annual audit and the preparation of the IRS Form 990.
 - Describe your approach to the planning and fieldwork efforts related to the audit work required by LSC.
 - Please provide an annual fee estimate for the audit period 2023, and if possible, the 2024 and 2025 audit periods as well. Indicate whether your proposal is a fixed-fee arrangement or a guaranteed maximum.

This fee estimate should include the audit and IRS form discussed above. Include a proposed draft engagement letter.

GENERAL BACKGROUND INFORMATION:

Colorado Legal Services is a Colorado non-profit corporation established for the purpose of providing civil legal representation to low-income individuals throughout Colorado. The Internal Revenue Service has granted the Program 501(c)(3) tax-exempt status. The Program currently provides services in 64 counties throughout the State of Colorado. Colorado Legal Services is governed by a 27-member Board of Directors who hire an Executive Director to run the day-to-day business operations. The Program employs 165 staff (including the Executive Director) who are all located in thirteen (13) offices throughout the state. In addition to attorneys on staff, the Program pays approximately 35 private attorneys in any one year to handle cases for persons eligible for services.

The plurality of funding (35%) is provided by the Legal Services Corporation (LSC) through annual grants issued on a calendar year basis. In addition, the Program receives approximately \$5.0 million from the Colorado Lawyers Trust Account Foundation (COLTAF), \$1.9 million from the Legal Aid Foundation, State of Colorado, local governments, and numerous smaller grants and donations. The total 2023 budgeted revenue exceeds \$20.0 million.

Colorado Legal Services adheres to fund accounting requirements and maintains an operating fund (revenue and expenditures) for all revenue sources. Separate bank accounts are not maintained for each funding source. The financial records are maintained on a modified accrual basis. General Ledger, including accounts payable, is computerized using Abila MIP Fund Accounting software. Payroll is computerized using QuickBooks Enterprise Solution software. Information on clients, cases and attorney time are maintained in LegalServer software.