***\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Association***

***REQUEST FOR PROPOSAL***

The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Association (\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Educational Foundation request proposals for external audit and tax services for the fiscal years ending April 30, 2011, 2012, and 2013, with the option for an additional three years at the discretion of the Finance Committee. All proposals will become a part of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ’s official files without obligation on the part of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .

**General**

The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a 501(c)(6) professional association with a 501(c)(3) Educational Foundation operating as a separate incorporated entity. Audited financial statements are not consolidated for the two entities.

Other information:

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has annual revenues of approximately $\_\_ million
* \_\_ employees in one location (City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_)
* Membership-based organization with approximately \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ members
* The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Finance Committee has oversight of the audit process
* Consulting services may be requested from time to time on a per hour basis
* The audit firm cannot have a member serving on the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Board of Directors, Foundation Board of Directors or Finance Committee

**Professional Services Requested**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Financial statement audit

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (c)(6) Form 990

Form 990-T

Form 4T

Foundation (c)(3) Financial statement audit

Form 990

Wisconsin Form #1952

Issuance of other reports and letters such as a report under SAS 114 is expected as appropriate.

The audit firm will prepare all tax filings; \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ staff will provide information as requested.

**Schedule**

The following is a list of key dates relative to the Request for Proposal for fiscal year 2010/2011. Future years audit timing will have a similar schedule.

September 10, 2010 Letters of interest due

September 24, 2010 Request for proposal issued

October 15, 2010 Proposals due

November 12, 2010 Finalists notified

November, 2010 Finalists interviewed (if applicable)

November, 2010 Sub-committee makes recommendation to

Finance Committee

December 3, 2010 Auditor approved by Board of Directors

December 17, 2010 Notification of auditor selection

January - February, 2011 Preliminary audit planning meeting

No earlier than May 23, 2011 Commencement of audit work

No later than June 3, 2011 Completion of field work

No later than June 10, 2011 Financial Statement draft

Mid/end-June, 2011 Audit report presented to Finance Committee

**Proposal Requirement**

This document serves to define the terms, conditions and specifications desired by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to receive proposal for audit services. Any inquiries concerning the request for proposals should be made to \_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_, ext. \_\_\_\_\_\_\_\_\_\_\_. The proposal should be submitted to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Finance Committee, Attention \_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_, WI 53\_\_\_\_ and all proposals shall include:

1. Title page to include the auditor/firm name, address and telephone number of contact person and date of proposal. Include the partner who will be in charge of the audit.

2. Transmittal letter briefly stating the understanding of the work to be done and agreement to perform the work within the time frame described in the request for proposal and a statement of why the auditor/firm believes it to be the most qualified to perform the work.

3. An affirmative statement indicating that the audit firm is properly licensed to practice in Wisconsin.

4. Information about the firm, including:

* The firm’s experience with auditing not-for-profit associations and organizations in the last five years (a list may be attached)
* Range of activities performed such as auditing, accounting, tax, management, computer and other consulting services related to non-profit entities
* Resumes of personnel expected to be working on the audit and tax preparation, including experience relevant to this type of entity and engagement
* Whether any portion of the audit work will be subcontracted
* The firm’s ability to comply with the outlined time schedule

5. Provide a list of three to five current audit clients that we may contact as references. References that are similar to the engagement described in this request for proposal are preferred.

6. The firm should provide an affirmative statement that it is independent of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as defined by generally accepted auditing standards.

7. A basis of fee (tax, audit, agreed-upon procedures) including a maximum fee for each of the 3 years. All direct and indirect costs and all out-of -pocket expenses should be included in the price quoted. No fees billed above the maximum fee will be paid without prior written consent of the Director of Finance & Operations.

8. Evidence of malpractice insurance in an amount no less than $1,000,000.

9. State that the person signing the letter will be authorized to bind the proposal.

10. Any additional information considered essential to the proposal should be included in this section. The proposer’s general information publications, such as directories or client lists should not be included.

**Other**

The auditor is expected to respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers related to matters of continuing accounting significance.

**Schedule for the 2010/2011 Fiscal Year Audit**

1. Detailed audit plan - The auditor shall provide the Director of Finance & Operations both a detailed audit plan and a list of all schedules to be prepared by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ staff at the preliminary audit planning meeting in January or February of 2011, and for engagements thereafter by March 31. At this time, the auditor is requested to provide requirements for electronic formats for schedules to be prepared by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , as well as anticipated data files needed for electronic data analysis software.
2. Field Work - The auditor shall attempt to complete all field work by the end of the first week in June. It is anticipated that final general ledger closing will be done during the third week of May each year. At the close of field work, an exit conference with the Treasurer, CEO, and Director of Finance & Operations will take place (may be formal or informal). The purpose of the meeting is to summarize the results of the field work, review significant findings and review a draft of any comments.
3. Draft Report - It is anticipated the auditor will deliver the audit reports and any letter or other reports by June 10 of each year to the Director of Finance & Operations for review.
4. Presentation to the Finance Committee - the audit report will be presented to the Finance Committee of the Board of Directors at their first regularly scheduled meeting in June.
5. Five (5) bound copies of each audit will be required to be delivered to the Director of Finance & Operations by June 30. A final pdf version of each audit will be emailed to the Director of Finance & Operations by June 30.
6. Draft Tax Returns – Form 990 and related returns shall be delivered to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for review at least four weeks prior to the filing deadline. Extensions beyond the initial filing deadline are acceptable with advance approval of the Director of Finance & Operations. A final pdf version of each tax filing will be emailed to the Director of Finance & Operations.

**Selection Criteria and Right of Rejection**

Proposals will be evaluated by a sub-committee of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Finance Committee and subsequently approved by the Finance Committee and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Board of Directors. The sub-committee will consider several factors including, but not limited to, the firm’s not-for-profit experience, similar clients, results of its latest Peer Review, size, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ membership, and proposed fee schedule for the three-year period.

The Finance Committee will accept a proposal based on its judgment of what is in the best interests of the organization and reserves the right to reject any proposals in whole or part with or without cause.

**Basis for Proposal**

A copy of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and Educational Foundation’s most recent audited financial statements are enclosed. Contact \_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_ at [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_@\_\_\_\_\_\_\_.org](mailto:___________________@_______.org) or call \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ext. \_\_\_\_\_\_\_\_\_\_ with any questions.