



Date

Name of Audit Partner
CPA Firm
Address
City, State Zip

Dear _____:

Our non profit voluntary health and welfare agency, [NAME OF AGENCY], (“___”), is requesting a three-year audit and tax proposal from several CPA firms with extensive experience in providing auditing and tax services to not-for-profit organizations. [NAME OF AGENCY] is classified as a 501(c)(3) tax exempt organization by the IRS.

A. Overview

[GIVE A BRIEF OVERVIEW OF YOUR AGENCY THAT YOU FIND TO BE APPROPRIATE. CONSIDER INCLUDING YOUR ORGANIZATIONAL MISSION, ANNUAL EXPENSES, AMOUNT OF NET ASSETS, MAJOR FUNDERS, ETC.]

B. Audit Timing and Scope

We anticipate that we would be prepared for the audit of the XXXX, financial statements to begin fieldwork during the week of _____ and would expect the delivery of financial statements and the management letter by the [EXPECTED TIME OF DELIVERY]. We would also expect the timely preparation and filing of tax returns.

Our agency requests a bid from your firm to provide:

- Audited financial statements as of and for the three years beginning with the year ended [MONTH DD, YYYY]
- Preparation of management letter.
- Preparation of IRS Form 990 and applicable state forms for each year.
- Planning meetings in preparation for audit.
- Availability to answer questions throughout the entire year.
- [IF APPLICABLE:] Preparation of reports to comply with OMB Circular A-133.

If you are interested in submitting a proposal, contact [AGENCY CONTACT PERSON] at (____) ____-____ and we will make available to you:

- current financial statements,
- the latest tax returns,
- chart of accounts; and
- an organizational chart.

C. Proposal Specifications

Please provide the following information in your proposal. Since we will be comparing the qualifications of a number of firms, please provide the information in the order requested.

1. Provide a description of your firm. (size, number of professionals, industries served, etc.)
2. Describe what engagements your firm currently conducts in our agency's industry. If partners or other employees serve in an advisory capacity, please list such positions.
3. Describe your firm's hiring philosophy.
4. Describe the level of experience of the individuals who would be assigned to our account.
5. Specifically explain how your firm will provide continuity of staff.
6. Describe your firm's basic approach to performing an audit and the resulting advantages that will accrue to our agency.
7. Identify how the audit will be planned and scheduled.
8. Quantify the partner and manager time commitment.
9. Describe your firm's quality control, method of compliance with *Government Auditing Standards* and CPE requirements.
10. Include your peer review report with your proposal.
11. Describe any existing or potential relationships between your firm and our agency and any employee or officer of the agency that could affect your independence and objectivity because of an actual or perceived conflict of interest.
12. Describe any other areas where you feel your firm are unique.
13. Provide information regarding other professional resources and services that will be available to our agency.

D. Scheduling and Staffing of Engagement

1. Identify the engagement team which would be performing our audit and include a resume of the qualifications and experience for partners, managers and seniors.
2. Comment on the impact of auditor transition on our agency.
3. Indicate the expected timing and completion of the audit and the expected delivery of the financial statements and management letter (this should directly correlate with our needs).
4. Indicate what assistance is to be provided to the engagement team by our accounting staff.

E. Fees

1. For each of the three years, provide information regarding your audit and tax fees for our agency, including the estimated number of hours to be spent by each person and the expected rate per hour of each. State whether or not out-of-pocket expenses are included in your fee structure.
2. Describe whether and how you bill for overruns. State how your organization can reduce any overruns and how we can be assured of no “surprise” billings.
3. If you are able to provide your services for a fixed fee, state the fee and services included.

F. Other Proposal Information

1. Please give any additional information, not specifically requested previously, considered essential to proposal. If there is no additional information to present, state “There is no additional information we wish to present.”
2. It should be noted that either party may cancel the audit for the second or third year by written notice to the other party no later than six months after the start of the fiscal year.

G. Proposal Deadline

The deadline for receipt of your proposal submission is [DATE]. Documents must be enclosed in a sealed package marked on the outside with the words: “RFP Bid Documents.” No proposals received after this date will be considered. All proposal submissions will be responded to once a decision has been made. If you have any questions concerning this RFP, please contact [NAME OF CONTACT PERSON].

H. Other Bidding Instructions

Bidders are expected to examine the specifications and all instructions contained in this invitation for bids. Failure to do so will be at the bidder’s risk. The bid must be signed by a duly authorized representative.

Bidders will be held responsible for ensuring that their bids are received in accordance with the instructions stated herein and a late bid will not be considered even though it became late as a result of circumstances beyond the bidder’s control. A late bid will be considered only if the sole cause of its becoming a late bid was attributable to [NAME OF AGENCY] and/or its employees.

The contract will be awarded to the lowest responsive bidder(s) complying with the conditions and specifications of the Invitation for Bids, providing the bid is reasonable and it is in [NAME OF AGENCY]'s interest to accept it. [NAME OF AGENCY], however, reserves the right to reject any and all bids and to waive any informality in the bids received whenever such rejection or waiver is in the interest of [NAME OF AGENCY].

[NAME OF AGENCY] will enter a contract only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration may be given to such matters as contractor integrity, record of past performance, and financial and technical resources. Upon request, bidders must be willing to provide information concerning these matters.

Please address your proposal as follows:

Name of AGENCY contact person
Name of Agency
Address
City, State Zip

Sincerely,