



## **Request for Proposal for Auditing Services**

March 26, 2019

Dear Sir or Madam:

Center For Family Services, a New Jersey 501(c)(3), is seeking proposals for the auditing of its financial records and production of the federal Form 990 filing. We invite your firm to submit a proposal to us by April 26, 2019 for consideration. A description of our organization, the services needed, and other required information follows:

### **Background**

Center For Family Services, Inc. (CFS), operates more than 70 programs in the South Jersey region, with a focus on counseling and behavioral health, family support and prevention, victim and trauma services, education and school based services, and safe and supportive housing services. The organization has more than 30 locations, with the headquarters located in Camden City. More information can be found at [www.centerffs.org](http://www.centerffs.org).

CFS employs approximately 800 full time and 300 part-time staff.

### **Finance**

The organization's total annual operating budget is approximately \$60 million. Total net assets as of June 30, 2018 were \$7.2 million. The organization is primarily funded by grants/contracts with the State of New Jersey and Federal Government, but also receives private donations, funding from Foundations, and local government.

The organization uses Blackbaud (Financial Edge) as its accounting software system, and Foothold (Awards) for its electronic health record, and client billing system.

### **Recent Merger**

As of January 1, 2019, Family Service Association (FSA) merged into CFS. This organization has a total operating budget of \$7 million, with assets of \$2.8 million. The FSA also operated three subsidiary corporations which have now become subsidiaries of CFS.

### **Relationship with Current Auditing Firm**

Stringari and Stringari has been providing audit services to our organization for over 10 years. CFS staff and board have been satisfied with these services.

## Scope of Services

1. Respondents shall be responsible for complying with all relevant statutory requirements applicable to the organization.
2. The contract for auditing services shall be for the fiscal year ending June 30, 2019 with a mutual option to renew for two additional years. Continuation of services from one year to the next remains dependent upon satisfactory completion of the prior year's services and mutual agreement by both parties to continue the relationship.
3. All pricing provided shall be firm through the contract period.
4. The audits shall be performed in accordance with Government Audit Standards and Generally Accepted Accounting Principles (GAAP) using Generally Accepted Auditing Standards (GAAS).
5. The audit shall include an examination and evaluation of the statement of financial position at June 30, 2019 and related statements of activities and cash flows for the year then ended, and CFS' internal control structure. The audit is expected to be shown on a comparative basis with the prior year.
6. The audit firm selected will be responsible for or assist with the following:
  - a. Independent Auditor's Report
  - b. Management Letter
  - c. Basic Financial Statements
  - d. Notes to the Basic Financial Statements
  - e. Other Supplemental Financial Statements
  - f. Preparation of Form 990
  - g. Preparation of Annual Charity Renewal Registration for the State of New Jersey
  - h. Routine accounting guidance upon request
  - i. Other Schedules or Reports required by Federal & State Grants or Contracts
7. Administrative requirements include typing, collating, assembling, copying, binding, and proofing the financial reports, and the Form 990 and charitable registration renewal.
8. The draft of the Financial Statements is due on November 10, 2019 with final copies delivered to CFS by November 15, 2019. The statutory due date for our fiscal year Form 990 is November 15, 2019. The statutory due date for our annual charity renewal is December 31, 2019.
9. CFS will provide the following:
  - a. Draft of the Basic Internal Financial Statements from accounting system.
  - b. Supplemental Financial Schedules

- c. All schedules needed to substantiate the Basic Internal Financial Statements
10. Meetings shall be held with CFS' CEO, CFO, audit committee, and/or other members of the board of directors as requested.

### **Proposed Calendar of Events**

March 26, 2019	Issue RFP
April 26, 2019	Proposals Due
April 29 – May 10, 2019	Interviews (Optional)
June 1, 2019	Recommendation to CFS Board of Directors
June 15, 2019	Execute Engagement letter

### **RFP Requirements**

#### ***Administrative***

1. Respondent shall submit five copies of the proposal.
2. Proposals are due in the CFS Administrative Office, located at 1 Alpha Avenue, Voorhees, NJ 08043 and should be addressed to Barbara Ogden by 12:00p.m. on April 26, 2019.
3. Proposals shall be submitted in a sealed envelope marked "Auditing Services."

#### ***Firm Background***

1. Describe your firm's organization, size, and structure. Please provide a copy of your firm's latest peer review report, the related letter of comments, and the firm's response to the letter of comments.
2. Include in the proposal a list of qualifications and examples of current or former clients who are similar in size and complexity to CFS.
3. Provide at least three references, including contact names and telephone numbers, for which your firm has provided similar auditing services in the past three years. These references should include nonprofit organizations.
4. Describe your organization's approach to auditing non-profit organizations, and describe any process and/or technological innovations that enable you to drive efficiencies in the audit process.

#### ***Audit Team***

1. Identify the key partner & manager who will be assigned to the engagement in the first year, and provide a brief resume for each.
2. Describe your firm's policy regarding notification of changes in key personnel.
3. Indicate whether any proposed engagement firm members have been subject to any professional ethics or related disciplinary action.

### ***Statement of Understanding and Timeline***

1. State your firm's understanding of the services to be performed, and submit a work plan, including a schedule for each aspect of the engagement.
2. Set forth your anticipated start date for the audit fieldwork.
3. Set forth your anticipated completion date(s) for the final audited financial statements, the Form 990s, and the annual charity renewal registration.
4. Include your list of requested schedules and information for the audit (audit item list).
5. Please include the completed pricing sheet (Appendix A) within the proposal. The proposal must include an annual, all-inclusive fixed fee for each engagement year.
6. Please also let us know under what conditions, if any, the ultimate price of the audit could go above your stated quote.

### ***Appendix A***

The pricing sheet attached as Appendix A must be included with all proposals.

Enclosure: Enclosed are Financial Statements for year ending June 30, 2018 and IRS Form 990.

### ***Evaluation of Proposals***

CFS may, at its discretion, request a presentation by or a meeting with your firm to clarify or negotiate modifications to your proposal. CFS will evaluate proposals on a qualitative basis. This includes our review of your firm's peer review report and related materials, interviews with key personnel to be assigned to the engagement, results of discussions with references, and your firm's completeness and timeliness in its response to us.

We would also appreciate a response if you decline to submit a proposal.

Sincerely,



Richard Stagliano  
President/CEO  
Center For Family Services, Inc.

**APPENDIX A PRICING SHEET**

**Firm Name:** \_\_\_\_\_

It is our intent that this bidding process create a multi-year relationship between the selected auditing firm and the Center For Family Services, Inc., so please prepare your proposal with an extended two-year time frame in mind.

**Total cost for GAAP audit**

First Year: \_\_\_\_\_

Second Year: \_\_\_\_\_

Third Year: \_\_\_\_\_

**Total cost for 990's**

First Year: \_\_\_\_\_

Second Year: \_\_\_\_\_

Third Year: \_\_\_\_\_

**Total cost for Annual Charity Renewal Registration for the State of New Jersey**

First Year: \_\_\_\_\_

Second Year: \_\_\_\_\_

Third Year: \_\_\_\_\_

**Total Proposal Cost**

First Year: \_\_\_\_\_

Second Year: \_\_\_\_\_

Third Year: \_\_\_\_\_

**All Years:** \_\_\_\_\_