

July 26, 2024

Request for Proposals – Independent Auditor

The Federation of State Humanities Councils (“Federation”), a 501(c)(3) organization, is seeking proposals from certified public accounting firms to provide audit and tax services for the fiscal year ending December 31, 2024. All proposals must be sent to finance@statehumanities.org by September 27, 2024.

A. Overview

Founded in 1977, the Federation is the national membership organization for the 56 state and jurisdictional humanities councils. Rooted in the distinctive places and people they serve, the councils are independent nonprofit organizations that conduct and fund public humanities programs, engaging millions of people in community and civic life. The councils are funded in part by the federal government through the National Endowment for the Humanities (NEH).

The Federation serves the councils by fostering connections and deepening their networks, providing resources and capacity-sharing opportunities, acting as a liaison with the NEH, and advocating to Congress for federal funding.

The Federation has an annual operating budget of approximately \$1.5 million. Revenue sources include membership dues, conference registrations, sponsorships, grants, and donations.

B. Audit Timing and Scope

The Federation requests a bid from your firm to:

- Prepare audited financial statements for the fiscal year ending December 31, 2024
- Prepare a management letter and all required deliverables in connection with the audit
- Prepare IRS Form 990 and the applicable state forms for Virginia
- Attend planning meetings in preparation for the audit
- Attend any necessary meetings with the Federation’s Audit Committee and/or Board of Directors
- Be available to answer questions on pertinent audit and tax matters

We anticipate that fieldwork for the fiscal 2024 audit would begin no later than the week of March 31, 2025 and would expect the delivery of draft financial statements and the management letter by May 16, 2025.

If you are interested in submitting a proposal, contact Joy Hickey at finance@statehumanities.org and we can make available to you:

- the Federation’s most recent audited financial statements,
- the Federation’s most recent Form 990,
- an organizational chart, and
- other documents as reasonably requested by you for preparation of a proposal.

C. Proposal Specifications

Please provide the following information in your proposal set forth below.

1. Provide a description of your firm (years in business, staff size, industries served, etc.).
2. Please share your organization's Diversity, Equity, Inclusion, and Accessibility (DEIA) statement or any comparable initiatives.
3. Include a copy of your firm's most recent peer review report, and if applicable, the related letter of comments and the firm's response to the letter of comments. Also, indicate any complaints or regulatory issues involving your firm and/or firm personnel that have been made by any regulatory authority. Indicate any corrective actions that have been taken by the firm with respect to these complaints or issues.
4. Describe engagements your firm currently conducts in the not-for-profit sector. For reference purposes, include a list of clients that you believe are comparable to our organization in size, mission, focus, and complexity. If partners or other employees serve in an advisory/consultative capacity within the not-for-profit sector, please list such positions as well.
5. Describe your firm's basic approach to performing an audit and the resulting advantages that will accrue to our organization. Include the use of technology and description of the activities undertaken by your firm to promote/ensure audit quality.
6. Describe any existing or potential relationships between your firm and the Federation or any employee, director, or officer of the Federation that could affect your independence and objectivity because of an actual or perceived conflict of interest.

D. Scheduling and Staffing of Engagement

1. Identify the engagement team that would be performing our audit and include a resume of the qualifications and experience, and your firm's commitment to staff continuity.
2. Indicate the expected timing and completion of the audit, the expected delivery of the financial statements and management letter, and any 'ramp-up' time required.

E. Fees

1. Provide information regarding your audit and tax fees and include your firm's historical or average annual percentage increase in fees. Please include any out-of-pocket expenses in your fee structure and indicate how these are calculated.
2. Describe whether and how you bill for overruns. State how you manage against overruns and how we can be assured of no "surprise" billings.

F. Other Proposal Information

Please give any additional information, not specifically requested previously, considered essential to your proposal.

G. Proposal Deadline



The deadline for receipt of your proposal submission is September 27, 2024. Documents should be emailed to finance@statehumanities.org. No proposals received after this date will be considered. We anticipate a decision to be made no later than November 15, 2024.

H. Other Proposal Instructions

Proposers are expected to examine the specifications and all instructions contained in this invitation for bids. The proposals must be signed by a duly authorized representative. For any additional questions or clarifications, please contact Joy Hickey, Director of Finance & Operations, at finance@statehumanities.org.