

# Cincinnati Preschool Promise Request for Proposal (RFP) Audit and Form 990 Services August 24, 2023

Cincinnati Preschool Promise, LLC (CPP) invites you to submit a written proposal to provide comprehensive auditing and tax services. The community's confidence in the fiscal integrity of CPP is of paramount concern, and the audit relationship is an integral part of how we meet that responsibility.

## Organization Information:

CPP was formed in September 2016 to partner with the Cincinnati Public Schools (CPS) to expand quality preschool in the CPS district. CPP is taxed as a 501(c)(3) nonprofit entity.

In November 2016, Cincinnati voters passed Issue 44, a Cincinnati Public School (CPS) levy, which raised \$48 million a year for five years by increasing property taxes, \$15 million of which was to support the expansion of quality preschool both within CPS and in the community. Voters renewed the CPS levy for an additional five years with the passage of Issue 17 in 2020. CPP oversees the portion of the levy designated specifically to increase access to high quality preschool for 3- and 4-year-old children in community-based preschools, including centers, family child care homes and faith-based programs. CPP projects annual spending of approximately \$9-11 million over the period of this work.

## Scope of Service:

The successful firm must be able to demonstrate considerable knowledge of nonprofit organizations and generally accepted accounting principles. It is important that the firm be able to demonstrate a history of successful service like the proposed engagement. In addition, the successful firm must have sufficient depth to provide these services on a timely and consistent basis. The service period will begin with the selected firm auditing the results for the fiscal year ending (FYE) June 30, 2023 and extend over a five-year period ending with the completion of the audit for the FYE June 30, 2028, although CPP shall have the unilateral right to terminate the contract at any time if any awarded vendor is not meeting their contractual obligations. Any awarded vendor would receive a notice of corrections and have the opportunity to implement corrections before the CPP would consider terminating the contract.

The scope of the auditing services includes:

- Examination in accordance with generally accepted auditing standards, with the objective of issuing an unmodified opinion,
- Preparation of a management letter addressing internal controls, systems and procedures,
- Preparation of report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with generally accepted auditing standards and government auditing standards, if applicable.
- Please see audited financial documents found at <https://cincy-promise.org/wp-content/uploads/2023/05/Cincinnati-Preschool-Promise-FS-6-30-2022-for-website.pdf> as an example of work considered to be within the scope of this RFP.

The scope of the tax services includes:

- Preparation of the annual federal information returns (IRS Form 990).
- Please see the most recent Form 990 found at <https://cincy-promise.org/wp-content/uploads/2023/05/PPP-Public-Disclosure-Form-990-for-2021-Fiscal-Year-2022.pdf> as an example of work considered to be within the scope of this RFP.

Due dates of final reports and filings for FYE June 30, 2023 are as follows:

- Audit due 01/12/24
- Form 990 due 02/16/24

## Audit Firm Response:

Please address the following areas in your proposal:

1. Name, address and contact information
2. Relevant experience over the past 5 years, including:
  - A comprehensive list of nonprofit clients served by your local office
  - Three client references that may be contacted and which your firm considers to be the most similar to the services to be provided under this RFP
  - Most recent peer review, the related letter of comments and the firm's response to the letter of comments
3. Size, resources and staffing of the office responsible for the audit, including:
  - Staff turnover experience for the past 3 years
  - Commitment to provide reasonable continuity over the course of the engagement
  - Biographies of the partner, manager and in-charge who would be assigned to the engagement
  - Ability to periodically answer technical questions and provide guidance on accounting related issues
  - Size of local non-profit practice group and firm's total non-profit practice group
4. Communication process used to plan and perform field work and discuss issues with management, audit committee and the CPP Board of Managers (CPP Board). Explain how you use remote-work capabilities with clients such as CPP.
5. Plan for conducting the work related to FYE June 30, 2023. Please include expected timing.
6. CPP is dedicated to expanding opportunities to minority and female individuals and businesses owned by such individuals. CPP believes that its mission is best served when talent and opportunities are drawn from all parts of society, and that its greatest accomplishments are and will be achieved when diverse perspectives are used to analyze opportunities, overcome challenges, and promote the efficient use of public funds. In furtherance of that dedication, all bidders must agree to the following terms:
  - a. Non-Discrimination Practices. Contract recipients shall not discriminate against any employee, contractor, or customer on the basis of race, color, religion, disability, gender, gender identity or expression, sex, sexual orientation, age, or national origin. Contract recipients shall recruit, train, hire, engage, and promote all personnel and contractors in an equitable fashion. Contract recipients shall take meaningful, good faith steps to employ a diverse workforce and to seek out women and minority candidates for employment, engagement, promotion, and leadership opportunities.
  - b. Contracting with Minorities, Women, and Businesses Owned Thereby. CPP is dedicated to promoting supplier diversity. A contract recipient will be required to make a good faith effort to seek out and engage minority and female employees, subcontractors, and suppliers, as well as businesses owned by such individuals.
  - c. Written Diversity, Equity, and Inclusion Policy. A contract recipient will be required to submit a duly adopted Diversity, Equity, and Inclusion Policy addressing the recipient's commitment to the goals set forth in this Section 6. Additionally, any contract recipient submit a written plan to CPP describing how the recipient will comply with this Section 7 and incorporate such goals into the services provided to CPP under the applicable contract.
  - d. Subcontract provisions. A contract recipient will require all subcontractors to comply with the foregoing provisions of this Section 6. Failure by a contract recipient or subcontractor thereof to comply with the foregoing provisions may result in immediate revocation of a contract entered

into in connection with this Request for Proposal and termination of any applicable contract with CPP.

7. List and description of all relevant continuing professional education (CPE) sessions made available remotely and at no charge by your firm between July 1, 2022 and June 30, 2023 to audit clients such as CPP.
8. Fee commitment that already considers any out-of-pocket cost, overhead allocations, and other fees your firm would charge for the work outlined herein. Any additional fees beyond the fee commitment should be agreed upon by CPP before being incurred. Please provide an itemized fee schedule that shows the fees for each of the fiscal years.

## Ohio Open Records Act

All documents, communications, and information submitted in response to or in connection with this RFP shall become the property of CPP and will be returned only at CPP's sole discretion. Proprietary, confidential, or highly sensitive information should not be included in any materials, communications, or information sent to CPP in connection with this RFP. You agree that all documents, communications, and information submitted to CPP in connection with this RFP will be treated as "records" subject to disclosure under the Ohio Public Records Act.

CPP will not consider any such documents, communications, or information as being exempt from disclosure under the Ohio Public Records Act, unless clearly marked as a "Trade Secret" and accompanied by a clear description of why such information should be protected as a "Trade Secret". Notwithstanding the foregoing, CPP shall be entitled to disclose any information, communications, or documents identified as a "Trade Secret" if it determines, in its sole and absolute discretion, that such information is a record subject to disclosure under the Ohio Public Records Act.

If CPP withholds any information from a public requester which you have marked "Trade Secret", you hereby agree to indemnify and hold CPP harmless from and against any and all claims, damages, liabilities, penalties, and judgments related to such withholding. Without limiting the foregoing, you hereby waive and release any and all claims, known or unknown, against CPP resulting from or related to CPP's disclosure of any documents, communications, or information submitted in connection with this RFP to any member of the public making a public records request, even if such information is marked as "Trade Secret", "Confidential", "Proprietary", or other words of similar import.

## Important Proposal Dates, Contact Information, and Process:

After receipt of this proposal please do not contact CPP to discuss any aspect of this RFP except by submitting questions using the following process.

Questions related to the RFP should be emailed to Héctor Polanco, CPP's Finance Director, at [hpolanco@cincy-promise.org](mailto:hpolanco@cincy-promise.org) using the subject line "CPP 2023 Audit RFP Question(s) from XYZ" where the name of the firm submitting the questions replaces XYZ. Firms may submit questions regarding the RFP until 12:00 PM EDT on Thursday, August 31, 2023. Copies of all submitted questions and their corresponding answers will be emailed no later than 12:00 PM EDT, Friday, September 1, 2023 to all firms that submitted questions and to any firm that requests them. If you did not submit questions but wish to see the submitted questions and their corresponding answers, please send your request using the same email address and subject line listed in this paragraph. In the body of the email state that you wish to see the replies to the submitted questions.

The deadline for receipt of proposals is no later than **Tuesday, September 5, 2023 at 5:00 PM EDT**. You must email your completed proposal to Héctor Polanco at [hpolanco@cincy-promise.org](mailto:hpolanco@cincy-promise.org) using the subject line "CPP 2023 Audit RFP Proposal from XYZ" where the name of the firm submitting the proposal replaces XYZ.

The proposal received by the deadline will be reviewed by an RFP review panel. The criteria to be used by the panel will be an evaluation of how closely the proposal meets the needs of CPP as listed earlier in this RFP in parts 2 through 8 found under the heading **Audit Firm Response**. The panel will select a lead candidate to become the vendor. The lead candidate will be presented to CPP's Finance & Audit Committee (F&AC) for their approval as the vendor with whom CPP staff will enter contract negotiations. If an acceptable contract can be reached with the lead candidate, the contract will be presented to CPP's F&AC so that they may review the contract and recommend the vendor to the CPP Board. The CPP Board shall select whether to accept or reject said contract. CPP is under no obligation to issue a contract as a result of this or any RFP if, in the opinion of CPP, none of the proposals are responsive to the purpose and needs of CPP. The cost of preparing any responses to this RFP shall not be reimbursed by the CPP. The goal is to have the CPP Board approve a contract no later than October 24.