



# **Request for Proposal for Independent Financial Audit Services**

## **I. Request for Proposal**

Louisville Olmsted Parks Conservancy, Inc. is requesting proposals (RFP) from qualified certified public accounting firms to audit its financial statements beginning with the fiscal year ending December 31, 2023.

As a recipient of this document your firm has been identified as a potential candidate to satisfy the Conservancy's requirements in this area and the RFP is a tool to help the Conservancy understand your organization's relevant capabilities.

These audits are to be performed in accordance with the generally accepted auditing standards, the provisions of Audits of States, Local Governments and Non-Profit Organizations.

This RFP is specifically for Louisville Olmsted Parks Conservancy, Inc.

## **II. Louisville Olmsted Parks Conservancy, Inc. Overview**

### **A. Our Mission**

Our mission is to enhance, restore and protect Louisville's Olmsted-designed parks and parkways, connecting nature and neighborhood while strengthening our community's well-being. Our vision is to elevate our parks to bring the restorative power of nature to all.

### **B. Our Values**

Our values are stewardship, community, inclusivity, and enduring spaces. We act as trustworthy and reliable caretakers of parks, resources, and nature. We bring people together on common ground for the public good. We strive to seek out the perspectives and experiences of all Louisvillians and represent diverse voices and interests in all we do. We bridge past, present, and future by upholding Olmsted's vision, meeting today's needs, and preparing for generations to come.

### **C. Our Functional Areas**

The President and CEO is responsible for supervision of the staff, execution of the strategic and master plans, and oversight of the operating, programs, and projects budgets. The President/CEO reports to a Board of Trustees of up to 30 members. The Development Department consists of a Senior Director of Development and Marketing, Donor Relations Manager, Membership Coordinator, and a Director of Communications. The Finance and HR Director maintains the accounting records and personnel

information. The Project Director oversees the major projects we fund in the Olmsted-designed parks. The Director of Outreach and Advocacy works to develop relationships with park stakeholders and government officials to further the mission of the Conservancy. The Director of Stewardship organizes and coordinates volunteer and education programs to help achieve the Conservancy's strategic goals and objectives. We also have a Team for Healthy Parks consisting of a Project Manager, Operations Manager and 4 crew members. The Team works to maintain the park habitat through removal of invasive species, landscaping formal areas, and planting of trees.

## **D. Financial Information**

The Conservancy's operating and programs budget for 2023 is approximately \$1 million.

The Conservancy's 3-year Parks for All Campaign was scheduled to complete fundraising in 2022, but funds are still coming in for park projects, and some construction projects have not yet started as of the end of 2023.

The Conservancy also performs projects in publicly owned parks on our own and in conjunction with Louisville Parks and Recreation Department (LPR). For all joint projects with LPR, we have a Financial Agreement signed by both entities outlining the financial obligations of both parties.

The Conservancy's fiscal year begins on January 1 and ends on December 31. The Finance and HR Director maintains the accounting records for the Conservancy including accounts receivable, accounts payable, payroll, preparation of monthly financial reports, financial dashboard and any other necessary financial reporting for the President/CEO and the Board of Trustees.

All accounting records are maintained at the main office at 1299 Trevilian Way, Louisville, Kentucky.

### **Accounting and Related Software**

The Conservancy uses Blackbaud's Financial Edge NXT accounting software for the general ledger and accounts payable. Our payroll is processed through Paychex, a contracted web-based payroll service.

Blackbaud's Raiser's Edge software is used for accounts receivable, memberships and public support, including grants.

Stegner Investment Associates, Inc. manages the Conservancy's long-term investments.

### **General Financial Information**

Number of Bank Accounts 5

Number of Endowment Accounts 1

Average Number of payments 400 annually

Average Number of Invoices 235 annually

Average Number of Donation Receipts 710 annually

Number of Membership Units 1,700

Number of Employees 16

15 full time employees with benefits

Payroll frequency for all employees Biweekly - direct deposit

### **Previous Audit Experience**

Our previous audit firm, Monroe Shine CPAs, has been engaged with the Louisville Olmsted Parks Conservancy for the past 2 years.

This RFP is being sent in accordance with our financial policies and to ensure we are doing our due diligence in providing the best financial services for the Conservancy.

- The audit team has been at the Conservancy five days in February
- Pre-audit activities have been handled via secure email transmissions and audit portal
- Interim fieldwork in November/December
- There have been no material weakness or deficiencies in our controls
- Our records and schedules are consistently ready for the audit team upon their arrival

## **E. Governance**

The Board of Trustees governs Louisville Olmsted Parks Conservancy and meets at least 6 times per year. The Executive Committee is a subset of the full board and meets at least 6 times per year.

The Finance and HR Director oversees the audit process. The Auditors report their findings annually to the Finance Committee upon completion of the report. The full Board of Directors votes annually to approve the audit upon completion.

Day to day operations are the responsibility of the President and CEO, assisted by an administrative staff including: Senior Director of Development and Marketing, Communications Director, Director of Programs and Advocacy, Director of Stewardship, Finance and HR Director, Donor Relations Manager, Project Director, Membership Coordinator, and the Team for Healthy Parks.

## **III. Scope of Work**

### **A. Scope of Services Required**

Louisville Olmsted Parks Conservancy seeks to contract with an independent audit firm and requests a proposal for the following services:

1. Provide an independent audit of the Conservancy's financial statements. Conduct the audit using generally accepted auditing standards (GAAS) to determine that the financial statements were prepared in accordance with generally accepted accounting principles (GAAP) and to determine whether operations were conducted in accordance with legal and regulatory requirements.
2. Provide a management letter that shall identify any management weaknesses observed, assess their effect on financial management, comment on the auditor's evaluation of internal controls and propose steps to correct or eliminate any weaknesses. Prior to completion of the management letter, the auditor shall meet with the appropriate representatives from the Conservancy to review the findings and recommendations in detail.
3. Report annually to the Finance Committee after completion of the annual Audit of the financial statements.
4. Provide guidance and advice on financial, accounting and reporting issues. In addition to completing the Audit, the accounting firm shall be available during regular business hours,

through the contract period to provide the Conservancy with advice and guidance on financial, accounting and reporting issues relevant to the Conservancy. The auditing firm will be expected to keep the Conservancy abreast of working requirements of any new applicable accounting or financial pronouncements.

5. Preparation of the Form 990 tax return.
6. Submit or file all reports, filings, Federal Forms, tax returns etc. before the established due dates unless the Conservancy approves extensions.
7. All audit work papers are the property of the auditors and shall be retained for a minimum period of at least seven year or longer if required by law. Work papers will be available for examination or duplication without charge to authorized personnel.

## **B. Proposal Evaluation**

Lowest cost will not be the sole criteria against which proposals will be evaluated. In consideration of all key objectives described in the document, the evaluation of proposals will be based on a set of criteria that include:

1. Qualifications and experience of the proposed team members and the firm, including relevant experience with the charitable sector and Louisville Olmsted Parks Conservancy.
2. Audit approach, including methodology, deliverables, and timing
3. Approach to client service and account management
4. Availability of additional value-added services
5. Cost of Services
6. Perceived fit with the Conservancy and the charitable sector, including a demonstrated understanding of the issues, challenges and opportunities facing the Conservancy and the sector
7. Involvement with and commitment to local communities and charities
8. Diversity of staff and management. Participation by certified female-owned, certified disabled-owned, or certified minority-owned business entities or subcontractors is strongly encouraged and will be a consideration in determining the award of this contract.
9. Overall quality of the proposal

## **IV. Information Requirements**

For the purposes of understanding more about your firm and your ability to successfully provide this critical service, please provide the information below as part of your response, clearly referencing each specific question in your response. If additional material is required for one or more questions, please label attachment clearly and reference in your responses to questions.

### **A. Capabilities of Your Firm**

1. Please provide an overview of the practice that would be relevant for this project. Include the number of professional staff at each level and the partner to staff ratios.
2. How many audits are performed annually by the office?
3. What experiences does the proposed audit team have in providing external audit services to charities and/or not-for profit organizations?
4. Please provide details of three recent external audit service engagements that were similar in scope and requirement to those of the Louisville Olmsted Parks Conservancy and carried out by your office, including the number of years served and contact information for a key client representative. Note that the Conservancy will not contact these references without providing you with advance notice.
5. Please provide a summary of the reasons why selecting your firm as the external auditor for Louisville Olmsted Parks Conservancy would be the best decision for this organization.
6. All proposals should include a copy of your firm's most recent peer review report, the related letter of comments and the firm's response to the letter of comments.

### **B. Professional Team Assigned**

1. Please provide information on the size, composition, and organization of the team assigned for this project, including detailed information on the background of any proposed partners, managers, auditors-in-charge, and specialist auditors.
2. What will be the time allocation for each various member of the professional team?
3. What would be the nature and extent of involvement of the proposed partners, managers and any specialist auditors in the performance of the Conservancy's audit?

### **C. Proposed Methodology**

Please provide a general description of the audit approach employed by your firm, including:

1. The typical timeline, critical steps and process that would be employed. Include a description of the technology and work processes employed to ensure an efficient audit program.
2. What processes would you employ to ensure that audit services are customized, responsive and aligned with the Conservancy's business needs?

3. What is the firm's approach to incorporating risk assessment into the planning and conduct of financial statement audits? How would this be incorporated with the Conservancy's own risk management processes?
4. Please describe your firm's internal quality control procedures for specific audit assignments as well as your overall quality assurance program.
5. What is your firm's approach to reviewing the computerized and manual controls over financial reporting system, including a review of the financial system itself?
6. How will communication with Louisville Olmsted Parks Conservancy be carried out on an ongoing basis and what processes would you employ to identify and address matters related to client satisfaction, performance, measurement, or other concerns that may arise?

#### **D. Understanding of the Assignment**

What, in the opinion of your firm, are the greatest risks for financial integrity and internal control for an organization like Louisville Olmsted Parks Conservancy?

#### **E. Cost**

1. Please indicate the full pricing associated with the proposed solution. All applicable fees and charges, both up-front and ongoing must be identified. Also, please provide an estimate of any out-of-pocket program expenses, if applicable, broken down by relevant expense category.
2. Description of billing rates and procedures for technical questions that may come up during the year, or whether these occasional services are covered in the proposed fee.
3. How will the Conservancy's pricing be affected by its not-for-profit/charity status?

### **V. RFP PROCESS**

#### **A. Communication Information**

Mary Jo Davis, Finance & HR Director  
Louisville Olmsted Parks Conservancy, Inc.  
1299 Trevilian Way  
Louisville, KY 40213  
[Maryjo.davis@olmstedparks.org](mailto:Maryjo.davis@olmstedparks.org)

#### **B. Notification of Intent to Respond**

Please indicate your intention to respond, by email, to the above email address by the date outlined in the table below. In addition, please provide the contact details of the individual responsible for coordinating your RFP response.

### **C. Q&A**

Questions regarding this RFP will be accepted up to the date indicated below. Answers to all questions will be distributed to all proponents. Questions can be submitted ONLY by email to the contact person identified above.

### **D. Response Delivery Instructions**

You may email your proposal to the contact listed above by the time and date as indicated below. You may also deliver a hard copy of your proposal, by the time and date as indicated below at the following address:

Louisville Olmsted Parks Conservancy, Inc.  
1299 Trevilian Way  
Louisville, KY 40213

Submissions may include a USB drive with electronic copies of proposal materials.

### **E. Key Dates**

The projected major milestones of the project are as follows:

- Questions will be accepted until 5:00 pm November 10, 2023.
- Proposals should be received by 5:00 pm November 17, 2023.
- A decision will be made by 5:00 pm December 1, 2023.