

July 31, 2018

The American Osteopathic Foundation (AOF), an Illinois not-for-profit corporation, is accepting proposals from CPA firms to provide audit and tax preparation services for the fiscal year ending December 31, 2018 and for two successive years. The term of the engagement agreement shall be for one year with an option to extend for two successive years. We invite your firm to submit a proposal to us by August 21, 2018 for consideration. After the proposals have been reviewed, you will be informed of the final outcome. To assist you in your response, we set forth below a brief description of the AOF, the services needed and other information that may be pertinent to your proposal.

American Osteopathic Foundation Background Information

The AOF is incorporated as a not-for-profit public charity and is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The mission of the AOF is to support philanthropic activities that promote and enhance the osteopathic profession. At fiscal year-end 2017, revenues totaled just over \$2.8 million. The AOF employs five people and maintains an office in Chicago, Illinois. The AOF has a December 31 year-end, with the usual filing requirements for tax-exempt organizations.

Services to be Performed

Your proposal is expected to cover the following services:

1. Annual audit to be completed in compliance with filing requirements.
2. Preparation of Federal Form 990.
3. Preparation of the Illinois Charitable Organization Annual Report.

Please note that this RFP contemplates that your firm will be engaged solely to perform the services identified above. If you wish to propose on any other services to the AOF, these services must be pre-approved.

Key Personnel

The following are key persons that you may wish to contact with respect to this potential engagement:

Rita Forden	Chief Executive Officer	(312) 202-8235
John Gonsiorek	Controller	(312) 202-8233

You should direct any requests for additional information, visits to our site, review of prior financial statements and tax returns, and/or appointments with Mr. Gonsiorek.



Relationship With Prior Auditor

Our current auditor, Plante & Moran, PLLC ("Plante") has provided audit/tax services to the AOF. As part of our internal policies, the AOF is seeking competitive proposals. In preparing your proposal, be advised that management will give permission to contact the prior auditors and will provide additional information, but may require that you enter into a confidentiality and nondisclosure agreement in order to protect the privacy of information.

Your Response to This Request for Proposal

In responding to this request, please provide the following information:

1. Detail your firm's experience in providing auditing and tax services to entities in the not-for-profit sector, as well as organizations of a comparable size to AOF.
2. Provide information on whether you provide services to any related industry groups.
3. Discuss the firm's independence with respect to AOF. Explain how you monitor and maintain your independence on an ongoing basis.
4. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
5. Discuss instances when loss of a client was due to an unresolved auditing or accounting matter. Explain your strategies to resolve the issue(s).
6. Identify the partner, manager, and in-charge accountant who will be assigned to our job if you are successful in your bid; provide biographies for these individuals. Indicate any complaints that have been leveled against them by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these individuals.
7. Describe how your firm will approach the audit of the organization, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also, discuss the firm's use of technology in the audit. Finally, discuss the communication process used by the firm to discuss issues with the management and audit committees of the board.
8. Furnish current standard billing rates for classes of professional personnel for each of the last three years, including an expense policy describing how incidental costs (for example, travel and mileage) are billed.
9. Describe how you bill for questions on technical matters that may arise throughout the year.
10. Provide the names and contact information of other similarly sized not-for-profit clients of the partner and manager that will be assigned to our organization.
11. Describe how and why your firm is different from other firms being considered, and why our selection of your firm as our independent auditors is the best decision we could make.
12. Describe how your firm will prioritize the work you do for AOF.



13. Include a copy of your firm's most recent Peer Review report, the related letters of comments, and the firm's response to the letters of comments.
14. Describe the firm's approach to the resolution of technical disagreements (a) among engagement personnel, and (b) between the firm and the not-for-profit client.
15. Please submit information on the firm's liability insurance coverage.
16. Set forth your fee proposal for the 2018 audit with whatever guarantees you offer regarding fee increases in future years. Provide your proposed fee for the audit work that will be required as well as the tax preparation if you are proposing to perform the tax work. Ensure that the fee as proposed is sufficient to cover the work that you expect to perform if you are awarded this engagement.

Evaluation of Proposals

The AOF will evaluate proposals on a qualitative basis. This includes a review of the firm's peer review and related materials, interviews with senior engagement personnel to be assigned to our organization, results of discussions with other clients, and the firm's completeness and timeliness in its response to us.

The anticipated timeline is for the Finance and Audit Committee of the Board to review RFP's in September with a final decision to be made by the Board in October.

If you choose to respond to this request, please do so by August 21, 2018.

Sincerely,

John Gonsiorek, Controller

cc: AOF Board of Directors
Rita Forden, Chief Executive Officer

