REQUEST FOR PROPOSALS

for

Audit and Tax Services for Southern Poverty Law Center, Inc. & SPLC Action Fund for the fiscal year ending October 31, 2022.

Issued: Monday, February 7, 2022

Due: 5 p.m. EDT on March 7, 2022

Contact: AuditRFP@splcenter.org
1. Background and Purpose

The Southern Poverty Law Center (SPLC) is a national civil rights organization with offices in five states and the District of Columbia. Our organization has grown substantially over the last several years, with staff nearly doubling in size. We have undergone significant internal transformation and leadership transitions over the previous two years. After a national search, our board of directors named Margaret Huang as the president and CEO effective April 2020.

We have been actively refining our vision, mission, and impact statements as a 21st-century social justice organization and finalizing how to monitor, evaluate and learn from our work moving forward. We are eager to launch this new chapter in our history, and 2021 marked our 50th anniversary.

The SPLC is a catalyst for racial justice in the South and beyond, working in partnership with communities to dismantle white supremacy, strengthen intersectional movements and advance the human rights of all people.

To do this work honestly and with integrity, we must hold ourselves to the highest standards. We must continue to take decisive action where and whenever necessary – across every domain – especially in strengthening our financial infrastructure. We have had a long-standing relationship with our current audit firm, Jackson Thornton & Co, PC. In 2014, our Audit Committee agreed to review audit rotation every five years. To comply with this rotation requirement in the past, we have rotated partners within the same firm. Our Audit Committee has agreed to put these services out to bid, which is not indicative of the work performed by our current firm. A small number of firms have been contacted directly about submitting a proposal (including our current firm).

Accordingly, we are launching a Request for Proposals (RFP) process to identify a qualified CPA firm to provide audit services and prepare tax returns for our organization. The Center has an October 31 fiscal year-end and receives consolidated financial statements.

2. Who May Respond

The SPLC seeks a diversity of partners with experience and expertise in audits, including but not limited to small businesses and firms owned by women and people of color. In addition, we seek partners who have deep respect for and demonstrated expertise in:

A. the diverse and complex communities we represent and serve;
B. working with large and complex, social sector organizations with offices throughout the country;
C. interviewing and engaging board members and staff at all levels of our organization with respect; and
D. assembling an experienced, diverse team that includes licensed, Certified Public Accountants with five years’ experience (partner, manager, and in-charge accountant).
3. About the SPLC

Founded in 1971, the SPLC is a 501(c)(3) organization that envisions a world where everyone can thrive, and the ideals of equity, justice, and liberation are a reality for all. In 2018, the Center formed a 501(c)(4) affiliate organization, SPLC Action Fund, to advance the mission of the Center through lobbying and grassroots organizing.

Theory of change

To protect our democracy and the rights of exploited and oppressed communities in the South, we must ensure that governments and institutions are responsive to the needs, hopes, and futures of all. We must create a culture in the South that allows all residents to thrive. We must dismantle systems that oppress the most vulnerable and deny accountability for human rights violations. To achieve institutional effectiveness, we need to partner with and support communities that demand accountability and take action to achieve change. We recognize that there are many entangled barriers to these demands. The SPLC’s role is to overturn and eliminate barriers and align ourselves with communities to demand and effectuate change.

We have identified four areas of work that offer the greatest opportunities to achieve our mission. While there are many urgent needs, we recognize that one organization cannot do everything very well. We choose to prioritize these areas of work to achieve maximum impact. With this focus in mind, we adopt the following goals:

1. **Eradicating poverty**
2. **Decriminalizing and decarcerating Black and brown people**
3. **Protecting voting rights and civic engagement**
4. **Dismantling white nationalism and protecting democracy**

We are in the process of developing strategies in service of these goals. They will include litigation, advocacy, education, research and analysis, narrative change, and more.

This fiscal year, our operating budget for the SPLC and the SPLC Action Fund is approximately $112 million. We have more than 350 staff in 10 offices. Seven of the offices contain staff from multiple departments:

- Decatur, Georgia
- Jackson, Mississippi
- Miami, Florida
- Montgomery, Alabama (headquarters)
- New Orleans, Louisiana
- Tallahassee, Florida
- Washington, D.C.
Three additional offices provide direct representation legal services to our clients in nearby immigrant detention facilities in:

- Folkston, Georgia
- Lumpkin, Georgia
- Ocilla, Georgia

4. Proposal Content: Qualifications, Scope of Work, and Budget

Responsive proposals must be submitted as a single PDF document, be no longer than fifteen pages, and include the following:

A. Statement of Qualifications

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 comparable size to SPLC. Include any experience your firm has with alternative investments, charitable gift annuities, and virtual currencies.
2. Discuss the firm’s independence concerning SPLC. Explain how you monitor and maintain your independence on an ongoing basis.
3. Discuss your commitments to staff continuity, including your staff turnover experienced in the last three years.
4. Discuss instances when the loss of a client was due to an unresolved auditing or accounting matter. Explain your strategies to resolve the issue(s).
5. 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 including relevant experience and CPE. 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 the firm has taken concerning these individuals.
6. Describe how your firm will approach the organization’s audit, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Describe the firm’s experience with conducting a new audit and what special work is required. Also, discuss the firm’s use of technology in the audit (special considerations for conducting a remote audit if our offices remain closed). Finally, discuss the communication process used by the firm to discuss issues with the management and audit committees of the board.
7. 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.
8. Describe how you bill for questions on technical matters that may arise throughout the year.
9. 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.

10. Describe how your firm will prioritize the work you do for SPLC.

11. 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.

12. Describe the firm’s approach to resolving technical disagreements (a) among engagement personnel and (b) between the firm and the not-for-profit client.

13. Please submit information on the firm’s liability insurance coverage.

B. **References**

Please provide the names and contact information of other similarly sized not-for-profit clients of the partner and manager assigned to our organization.

C. **Statement of Proposed Work**

Your proposal is expected to cover the following services:

1. Annual audit of the consolidated financial statements to be completed in accordance with GAAS.
2. Auditor evaluation of and reporting on the internal control over financial reporting
3. Auditor’s Report on Consolidating Information (requirement of WAOIC for CGA filing)
4. Attestation Examination of the Gift Annuity Liability Reserves in Compliance with the Code of Maryland Regulations
5. Tax filings for the Center and related C4 organization (includes IRS form 990, 990T, and various state returns)
6. Annual audit of the financial statements of the Southern Poverty Law Center, Inc. 401(k) Retirement Plan, beginning with the year ending December 31, 2022. Vanguard Group, Inc., the plan provider, provides annual Compliance Services, plan reporting and form 5500.
7. Meetings with the audit committee and board of directors as necessary

D. **Proposed Budget & Timeline**

SPLC understands that unexpected changes may be necessary once a contract is awarded. Based on similar engagements and your experience, please provide an estimated timeframe to complete the engagement with hourly rates (if applicable) of work allocated between each of the proposed team members plus any other anticipated charges to be incurred.

Set forth your fee proposal for the 10/31/2022 audit with whatever guarantees you offer regarding fee increases in future years. Provide your proposed fee for the corporate tax preparation if you propose performing the tax work. Ensure that the fee
as proposed is sufficient to cover the work you expect to perform if you are awarded this audit.

5. Proposal Evaluation Criteria and Timeline for this RFP
SPLC reserves the right to reject any and all proposals. Responses will be evaluated along several dimensions including, but not limited to, the following:

A. Statement of Qualifications;
B. Understanding and practice of diversity, equity, and inclusion;
C. References;
D. Statement of Proposed Work;
E. Proposed Budget & Timeline; and
F. Interviews

- February 7, 2022: RFP Released
- March 7, 2022: Responses due
- March 14-18, 2022: We will invite a limited number of finalists to deliver a virtual presentation
- March 31, 2022: We intend to award a contract the week of March 31st

6. Process for Proposal Submissions

A. Inquiries. Please direct all questions regarding this RFP to AuditRFP@splcenter.org no later than 5 p.m. EDT on February 18, 2022.

B. Closing date. Proposals are due by 5 p.m. EDT on March 7, 2022.

C. Conditions of the proposals. All costs incurred in preparing a response to this RFP, including costs associated with interviews or in-person visits, are the bidder’s sole responsibility and will not be reimbursed by the SPLC.

D. Submission instructions. Proposals must be a single PDF document, no longer than fifteen pages, and the file name must include your firm’s name. Email your proposal to AuditRFP@splcenter.org. Hard copy, U.S. mail submissions will NOT be accepted.