

REQUEST FOR PROPOSALS

for

Forensic Examination and Audit Consulting Services

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Contact:

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REQUEST FOR PROPOSALS

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. Over the last several years, our organization has grown substantially, with staff nearly doubling in size. In March 2019, our longtime president and CEO resigned. On April 2, 2019, the SPLC Board of Directors named [Karen Baynes-Dunning the interim president and CEO](#) who was charged with leading the organization during a period of transformation. Shortly thereafter, the board launched a national search for a more permanent leader and recently named [Margaret Huang as the new president and CEO](#) effective April 20, 2020.

As we approach our 50th anniversary in 2021, we have launched an organizational re-visioning process to imagine a bold and audacious future. We are engaging in honest conversations about our role in the social justice and civil rights movements, and how our approach to the work and our theories of change must adapt to the rapidly changing landscape of our democracy.

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.

Accordingly, we are launching a Request for Proposals (RFP) process to identify a qualified vendor to conduct a forensic examination of FY 19 (Nov. 1, 2018 – Oct. 31, 2019) and the first and second quarters of FY 20 (Nov. 1, 2019 – Jan. 31, 2020 and Feb. 1, 2020 – April 30, 2020).

2. WHO MAY RESPOND

The SPLC seeks a diversity of partners with experience and expertise in forensic examinations and 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 and at least one member that holds one of the following certifications and five years' experience in performing forensic audits:
 - Certified Fraud Examiner by the National Association of Certified Fraud Examiners, and
 - Certified in Financial Forensics by the American Institute of Certified Public Accountants.

3. ABOUT THE SPLC

Founded in 1971, the SPLC is a 501(c)(3) organization dedicated to fighting hate and bigotry through its three program departments:

- A. **Legal.** The legal department advocates on behalf of victims of discrimination and exploitation to bring about systemic reforms through high-impact lawsuits, limited direct representation, public education and advocacy. It has six focus areas: Children’s Rights, Criminal Justice Reform, Economic Justice, Immigrant Justice, LGBTQ + Rights/Special Litigation and Voting Rights. Our work is primarily focused in the Southeast. In recent years, we have increased our legislative work in Alabama, Florida, Louisiana, and Mississippi.
- B. **Intelligence Project (IP).** In the 1980s and 1990s, we broke new ground suing white supremacist groups, including the Ku Klux Klan. An outgrowth of that work was IP, which tracks and exposes the activities of hate groups. Each year, IP produces a census of active hate groups in the U.S. and almost daily publishes web-based content about hate and extremism. We also monitor the activity of antigovernment extremist groups. Our investigations and research are widely used by lawmakers, corporations, and the media.
- C. **Teaching Tolerance (TT).** TT’s mission is to help teachers and schools educate children and youth to be active participants in a diverse democracy. TT provides free resources and professional development to educators who work with children from kindergarten through high school. Educators use its materials to supplement the curriculum, to inform their practices, and to create civil and inclusive school communities where children are respected, valued, and welcomed participants.

The aforementioned work is done in close collaboration and support with the following departments:

- Administration/Finance
- Civil Rights Memorial Center
- Communications
- Creative
- Development/Marketing
- Digital
- Human Resources
- Information Technology
- Security

Our operating budget for the SPLC and the SPLC Action Fund this fiscal year is approximately \$101 million.

We have more than 350 staff in 11 offices. Seven of the offices contain staff from multiple departments:

- Decatur, Georgia
- Jackson, Mississippi
- Miami, Florida
- Montgomery, Alabama (national headquarters)
- New Orleans, Louisiana
- Tallahassee, Florida
- Washington, D.C.

There are four additional offices that provide legal services to our clients in nearby immigrant detention facilities in:

- Alexandria, Louisiana
- Folkston, Georgia
- Lumpkin, Georgia
- Ocilla, Georgia

4. PROPOSAL CONTENT: QUALIFICATIONS, SCOPE OF WORK, DELIVERABLES, AND BUDGET

Responsive proposals must be no longer than 10 pages, submitted as a single PDF document, and include the following:

Statement of Qualifications

- A. A description of the primary nature of your firm's work, the size of the firm including number of employees, the location of the office(s) from which your work on this engagement will be conducted, and how the diversity of your team creates greater value and insight in the work you produce for your clients.
- B. An explanation of independence and any potential conflicts of interest that may exist.
- C. An affirmative statement indicating that your firm is a member of the American Institute of Certified Public Accountants (AICPA), employs Certified Public Accountants who are licensed and in good standing in their respective home state, and highlighted results of recent peer review.
- D. A description of your firm's experience and expertise in conducting forensic examinations, forensic reviews and/or forensic audits of nonprofit, 501(c)(3) organizations, including staff that are Certified in Financial Forensics as well as Certified Fraud Examiners.
- E. A description of the qualifications and experience of all staff who will be assigned to this engagement and, where and when relevant, indicate whether each such person is licensed to practice as a Certified Public Accountant, their state of licensure, and the license number. For the proposed team leader, please include their resume. The resume will not count against the maximum 10-page limit of the written proposal.

Additional information on the experience of each person noted above, particularly in areas of nonprofit expertise, nonprofit accounting, strengthening internal controls, internal auditing, and forensic reviews and examinations, and fraud risk assessment will strengthen your proposal. You should also note professional staff holding additional credentials and/or membership in professional organizations relevant to the performance of this type of examination.

F. The team performing the examination that include licensed Certified Public Accountants and five years' experience and at least one member with five years' experience in performing forensic audits and holds one of the following certifications:

- Certified Fraud Examiner by the National Association of Certified Fraud Examiners
- Certified in Financial Forensics by the American Institute of Certified Public Accountants

G. A description of the most significant engagements (maximum of three) performed in the last five years similar in scope to this RFP. Briefly indicate the scope of work, dates of the engagement, total audit hours, and primary client contact information.

Statement of Proposed Work

1. Methodology: Detail what your approach will be for gathering data on the current financial state and internal controls of the SPLC and how you will continue to gather information, including an explanation of the examination and audit methodology to be followed, once the contract is awarded.

2. Work plan: Your proposal should set forth a clear work plan that includes the following:

- a. A description of how your firm will perform such forensic examination and accounting procedures necessary to identify, quantify and ameliorate any irregular credit card transactions; purchasing; procurement; contracting; inventory; standard operating procedures; financial document and data collection; conflict of interest matters; policies; regulations; internal controls; risk assessment; analysis and investigative activity for certain accounts and transactions; and/or other financial activity past and present relating to FY 19 (Nov. 1, 2018 – Oct. 31, 2019) and the first and second quarters of FY 20 (Nov. 1, 2019 – Jan. 31, 2020 and Feb. 1, 2020 – April 30, 2020). The submission must include quotes for hourly rates.
- b. Proposed segmentation of the engagement with anticipated time frames for each segment;
- c. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- d. Type and extent of analytical procedures to be used in the engagement;
- e. Approach to be taken to gain and document an understanding of the SPLC’s internal control structure;
- f. Initial identification of the extent of substantive tests to be performed; and
- g. Approach to communicating and modifying the scope of work once additional insights are gained.

Proposed Deliverables:

The SPLC expects ongoing and regular communication between the examination team and the president and CEO to make adjustments as necessary to the scope of work. At minimum, following the completion of the forensic examination, a written report is expected to:

- communicate all discovered irregular activity, past or present, its quantification, cause and consequence;
- recommend to the president and CEO, and the Board of Directors, appropriate actions to be taken to prevent further irregular activities relating to credit card transactions; purchasing; procurement; contracting; inventory; standard operating procedures; financial document and data collection; conflict of interest matters; policies; regulations; risk assessment; internal controls; analysis and investigative activity for certain accounts and transactions; and/or other financial activity.
- All working papers and reports must be retained, at the auditor’s expense for a minimum of seven years unless the firm is notified by the SPLC in writing to extend that period. In addition, the auditor shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing account and contractual significance.

Proposed Budget:

The SPLC understands that unexpected changes may be necessary once a contract is awarded. In addition, this engagement may require phasing the work once additional insights are gained. Based on similar engagements and your experience, please provide an estimated timeframe to complete the engagement with hourly rates of work allocated between each of the proposed team members plus any other charges to be incurred.

The SPLC is fully aware that the exact number of hours needed to complete the engagement may vary depending on the nature and extent of testing required to produce the desired results and is willing to adjust accordingly with prior written consent.

5. PROPOSAL EVALUATION CRITERIA AND TIMELINE FOR THIS RFP

The SPLC reserves the right to reject any and all proposals. Responses will be evaluated along several dimensions including, but not exclusively, the following:

- A. statement of qualifications;
- B. references;
- C. statement of proposed work;
- D. proposed deliverables;
- E. proposed budget; and
- F. interviews.

We will request video interviews with the intended team lead and their proposed team for a limited number of semi-finalists on April 17, 2020. We will then invite a limited number of finalists to deliver an in-person presentation the week of April 20, 2020. (Our COVID-19 contingency plan should we not be able to conduct this meeting in person is to do so virtually via Zoom.) We intend to award a contract the week of April 27, 2020.

6. PROCESS FOR PROPOSAL SUBMISSIONS

- A. **Bidder's conversation.** We understand that you may need additional information about the SPLC to submit a proposal that accurately estimates the scope of work to complete this project. Please email Lecia Brooks to register your interest in joining the bidder conversation on April 3, at 3 p.m. EDT. Register here: <https://zoom.us/meeting/register/uZEqc-GsrTMi2UYd8OdR2gMpwL7OnTx6kA>
- B. **Inquiries.** Please direct all questions regarding this RFP to Lecia Brooks, chief workplace transformation officer, no later than 5 p.m. EDT on April 8, 2020: lecia.brooks@splcenter.org
- C. **Closing date.** Proposals are due by 5 p.m. EDT on April 10, 2020.
- D. **Conditions of the proposals.** All costs incurred in the preparation of a response to this RFP, including costs associated with interviews or in-person visits, are the sole responsibility of the bidder and will not be reimbursed by the SPLC.
- E. **Submission instructions.** Proposals must be a single PDF document, no longer than 10 pages, and the file name must include your firm's name. Email your proposal to splcRFP@splcenter.org. Please **DO NOT** email submissions directly to any SPLC staff members. Hard copy, U.S. mail submissions will **NOT** be accepted.