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Accounting RFP

HVL has released a Request for Proposals regarding Professional Accounting Services.

The RFP can be found attached. All relevant details can be found in the PDF.

The deadline for Questions is Friday, November, 15th. Responses will be posted on Tuesday, November 19th. The RFP is due Friday, November 22nd.

Any questions asked will be posted here with their answers.

Questions Asked (last updated 11/18/2019)

- **In reference to audit assistance, is this assistance in preparing for the audit and is the audit performed by another entity?**

Correct, this would be assistance with preparing audit schedules or pulling financial reports as requested by our independent auditors. Our internal accounting team would handle the majority of the audit requests but there may be requests where assistance would be needed. For example, we may want assistance with writing up any financial statement disclosures. We would also want the firm to review the financial statements prepared by the auditors before they are finalized.

- **In reference to preparing a monthly cash flow statement, is the format to be used the indirect format which begins with the net income or loss or is a different format desired? and in total or by grant or class?**

Our current firm has been using their own format and it is for the entire organization, not broken down by grant or class, which would be provided to the new firm. We would be open to any suggestions from the new firm on making the preparation of the cash flow statement more streamlined and any other suggestions that may help our organization.

- **How are grants identified in Quickbooks?**

Our grants are identified as 'Donors' in QBO and a new donor is created for each grant year.

- **How many 1099s were issued at the prior year end and approximately how many vendors have been added during the current year? Is it anticipated that the AP function will obtain necessary 1099 information as vendors are added? Do the services need to include obtaining 1099 information?**

We issued only eleven 1099's in 2018. We try our best to collect the W-9's as vendors are added but in the case that information was needed, we would request you provide a list of the vendors that are missing information and then we would reach out to get the information for you.

- **Are there monthly deadlines for deliverables, such as board meetings?**

We do have monthly deadlines including board meetings for which we would need the cash flow statement prepared (third week of the month) and then grant reporting deadlines both monthly and quarterly typically on the 15th of each month for which we would prepare the accounting and reporting and would like you to review our workpapers for prior to us submitting to the grantors.

- **The RFP states that "HVL currently uses an outside accounting firm for much of the high-level reporting and accounting needs of the organization." Please confirm if this outside accounting firm has been invited by HVL to propose for the services described in this RFP?**

The outside accounting firm has not been invited to participate in this RFP. The RFP was created after receiving their proposal and our desire to find a more competitive proposal that meets both our organizational and budgetary needs.

- **The RFP lists "review of all reconciliations and workpapers prepared by HVL's internal accounting staff." Is it possible for you to identify the different reconciliations you have in mind?**

HVL will be reconciling all of the balance sheet accounts during the monthly close. This includes the reconciliation of our banking accounts, due to/due from, accrued receivables, accrued revenues, prepaid expenses, etc. We would like our outside accounting firm to review them for reasonableness and proper GAAP accounting and provide feedback as needed.

- **How many operating bank accounts does HVL maintain?**

HVL has one operating account and one IOLTA account. HVL also has a PayPal account, FSA account, and credit card account that are reconciled monthly.

- **How many HVL issued credit cards does HVL employees have?**

HVL only has one credit card which is held by the Executive Director.

- **One way that most nonprofit organizations are meeting the new expense analysis disclosure requirements of FASB ASU No. 2016-14 is to present a statement of functional expenses as part of the organization's basic financial statements. Since HVL has about 15 grants, does the scope of the work envisioned by this RFP include**

assistance with cost allocation and functional expense reporting?

HVL will be preparing the cost allocations monthly and will request that the outside accountants review the allocation workpapers for reasonableness and compliance with GAAP. Our audit team will provide guidance on the presentation in the financial statements and we may request the outside accountant to assist us with completing audit schedules that will be used for the financial statements as needed.

- **Do you have an example of what you consider “ad hoc” reporting?**

For example, the Executive Director may request we run scenarios of expenditures for specific grants for decision-making purposes. We may request that the outside accountant assist us with this report if our internal accounting team is dealing with another task. At the least, we would want the outside accountants to review any reporting our internal accountants prepare prior to providing them to the requestor.

- **How often would “on-site meetings to discuss accounting matters with Staff Accountant & Executive Director” occur?**

Our current accountants meet with us on-site once a month to go over the reconciliations and cash flow statement and discuss any open items either of us may have. We will meet for a second time during the month as needed but would be only on occasion.

- **Would the accounting firm hired under this RFP be required to be present at HVL’s periodic board meetings? If so, how often does the HVL board meet?**

Our outside accountants do not typically present at our board meetings. We would, however, expect the outside accountants to brief our Executive Director on the cash flow statement so he is prepared for any questions the board may have as well as assist with any of the ad hoc requests the board or other stakeholders may have.

- **How many 1099s were issued by HVL for 2018?**

We issued only eleven 1099’s in 2018. We try our best to collect the W-9’s as vendors are added but in the case, that information was needed, we would request you provide a list of the vendors that are missing information and then we would reach out to get the information for you.

- **The RFP refers to HVL’s internal accountant. What is the academic qualification and years of experience of this person?**

The internal accountant is myself, I have a bachelors in accounting and 10 years of accounting experience including 2 years working for an international public accounting firm. Our need for an outside accountant is primarily to have a qualified accountant doing a high-level review of our accounting while I am focused on the details of our daily accounting operations and grant management. We will also be hiring an accounting assistant to focus on accounts receivable and payable and other light accounting duties.

- **Does HVL’s chart of account that is used in the QuickBooks Online have account**

numbers?

Yes.

- **Monthly timeline – When does HVL normally close the books?**

We typically begin the accounting on the 5th day of the month after all expense reports, invoices, and timekeeping have been entered into our system. Our grant reporting is typically due on the 15th of every month so we aim to have all the accounting finalized by the 12th. HVL is in the process of bringing the monthly close in-house with hopes of speeding up this timeline considerably which will allow more time for decision making and reporting.

- **Please provide a sample of source documents HVL would want the service provider to review.**

In general, the outside accountant will be reviewing all of our balance sheet reconciliations including banking, prepaid expenses, accrued expenses, accrued receivables, due to/due from, etc. We will also request our outside accountant to review our cost allocations prior to finalizing and closing the books. HVL will share templates of our accounting documents, at our discretion, once initial interviews are completed and we have selected our top proposals for further consideration.

- **Can we have a copy of your recent financials?**

HVL's current operating budget is more than \$3.6 million. Additional relevant details of our accounting setup and organization can be found in the RFP. HVL will share our financial statements, at our discretion, once initial interviews are completed and we have selected our top proposals for further consideration.

- **How many bank accounts will need to be reconciled?**

HVL has one operating account and one IOLTA account. HVL also has a PayPal account, FSA account, and credit card account that are reconciled monthly. Our internal accounting team will handle the reconciliations which will be reviewed by our outside accountants during the monthly workpaper review.

- **Who is HVL's payroll provider and are the payroll entries reconciled monthly in house prior to sending the file to the service provider?**

We currently use ADP for our payroll. We prepare the payroll and reconcile prior to submitting to ADP for processing and calculation of taxes. ADP's main function for HVL is the handling of our payroll taxes and the associated state and federal reporting as well as the processing of our W-2's.

- **Is there a template that HVL currently uses on the cash flow statement that can be shared? What format is it currently in (i.e. excel, Quickbooks or other)?**

The template currently used by HVL was prepared by our current outside accountants. We are

open to changing our current template and would want the hired firm to assist us with changing our format to better suit our organizational needs. HVL will share templates of our accounting documents, at our discretion, once initial interviews are completed and we have selected our top proposals for further consideration.

- **When does the board meeting occur typically?**

HVL's board meetings typically occur during the 3rd week of each month. The outside accountant will not be expected to attend the board meetings but will need to prepare the cash flow statement and meet with the Executive Director prior to the meetings to prepare him for the presentation to the board.

 RFP for Accounting Services for HVL

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