

**Request for Proposals
To Audit
The Financial Statements of
Goodwill Industries of Central East Texas, Inc.
Five Fiscal Years**

Section I - General Information

Goodwill Industries of Central East Texas, Inc. is seeking proposals from Certified Public Accounting firms to provide audit and related tax return preparation service for the annual financial statements for the five (5) fiscal years ending December 31 of 2016 through December 31, 2021 with one (1) two (2) year option to extend upon mutual agreement. Proposals will be accepted from accounting firms certified by the State of Texas with at least five years' experience in nonprofit and governmental auditing including experience performing Single Audits. The presentation of the annual financial statements, the independent auditor's report, and other reports must be in accordance with GAAP. The deadline for submitting such proposals is June 5, 2017.

The proposal should be emailed to Finance@LufkinGoodwill.org or addressed as follows:

Goodwill Industries of Central East Texas, Inc.
ATTN: Finance Director
301 Hill Street
Lufkin, TX 75904

The audits are to be performed in accordance with generally accepted auditing standards. Periodic progress reports may be required during the course of the audits, as well as an audit exit conference to discuss the proposed drafts of the audit reports. Additionally, letters detailing significant opportunities to improve management practices are to be furnished for each audit.

The tax return preparation services are to be performed in accordance with Texas tax laws and with the Internal Revenue Code for nonprofit corporations.

There is no expressed or implied obligation for Goodwill Industries of Central East Texas, Inc., to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The submitted proposals will be reviewed by the Audit Committee and will be evaluated on a qualitative basis. This review may include a review of the firm's peer review report 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 Audit Committee will present its recommendations to the full Board of Directors for selection.

It is expected that:

- the selection of a firm will be completed by the end of June 2017.

- following the selection of the firm by agency's Board of Directors, an contract will be executed immediately.
- the audit will be completed and presented for review and approval to both the Audit Committee and Board of Directors at the September meetings in 2017 and by the end of September each additional year thereafter for the duration of the contract period.

Any questions concerning this Request for Proposal should be made to the following:

Tiffany Rhodes, Senior Director of Finance
Goodwill Industries of Central East Texas, Inc.
301 Hill Street
Lufkin, TX 75904
Phone: 936-632-8838
Fax: 936-632-9561
Tiffany.Rhodes@LufkinGoodwill.org

Section II - Background

Goodwill Industries of Central East Texas, Inc. (Goodwill) is a not-for-profit organization incorporated in 1987. Goodwill Industries of Central East Texas, Inc. is a member of a national organization known as Goodwill Industries International. Goodwill collaborates with our community to transform donations into innovative training, employability and financial stability programs that empower people with disabilities and other barriers to achieve independence. Goodwill territory includes Angelina, Nacogdoches, Houston, San Augustine, Sabine, and Trinity counties. Goodwill is an autonomous not-for-profit organization governed by a volunteer Board of Directors consisting of members who are representative of the communities we serve. The Board of Directors guides Goodwill by establishing by-laws, overseeing strategic planning and providing fiscal oversight for the agency. They hire the Executive director to oversee the organization's daily operations and ensure the implementation of the agency's strategic plan.

Goodwill currently has three retail stores and a virtual store. (These locations require a year-end inventory count that was performed by the previous auditor.) In addition, to our retail stores we have a Mission Services division that provides work training for consumers through a contract with the Department of Assistive and Rehabilitative Services (DARS), provides temporary employment services through a contract with TIBH Industries, provides job training and certifications to underprivileged youth through the YouthBuild Program and provides yearly tax assistance through the federal VITA program. In 2016 Goodwill was awarded the CCS contract through the Texas Workforce Commission to manage child care services in a 12 county region.

Goodwill's records are maintained on a calendar year basis. The financial records are maintained at 301 Hill Street, Lufkin, TX 75904. The financial records are processed using QuickBooks accounting software package.

The activities with regard to year-end closing are normally completed by the end of January.

While we have been pleased with the audit and tax services that have been provided by Alexander, Lankford & Hiers, Inc., Goodwill is required to periodically review all business services to determine whether greater efficiency and cost-effectiveness is available in the marketplace through a competitive solicitation such as this RFP.

Further information is included in the December 31, 2015 audited financial statements.

Section III - Scope of Services

Goodwill is soliciting the services of qualified firms of independent certified public accountants to audit its annual financial statements, perform a single audit on required programs and prepare the required Federal and State income tax returns for the fiscal years ending December 31 of 2016 through 2021 respectively.

To meet the requirements of this RFP, the audit services shall be performed in accordance with generally accepted auditing standards and the Internal Revenue Code for nonprofit corporations.

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A letter detailing significant opportunities to improve management practices.

To assist the selected firm, Goodwill will provide basic information required for the audits and will be responsible for the accuracy and completeness of that information. We do expect advice regarding appropriate accounting principles and their application and assistance in the preparation of our financial statements.

As part of the engagement, the selected firm shall be available during the year for consultation on any tax or accounting issue that may arise. The successful firm will be expected to attend the Goodwill Board meeting at the completion of the audit to assist in the presentation of the audited financial statements and to answer any Board member questions.

Goodwill has established that the Executive Director and the Senior Director of Finance are the primary representatives in all matters related to the financial statements and audit of the financial records. **The annual audit must be finalized and issued to the full Board of Directors for approval at or before the September board meeting each year.**

The annual income tax return Form 990 and accompanying schedules are to be reviewed by the Executive Director and the Senior Director of Finance each year and then subsequently presented to the full Board of Directors for approval at the next available meeting, typically September.