



August 13, 2019

The Health Forward Foundation (“the Foundation”) is accepting proposals from Certified Public Accounting firms to provide audit and tax services beginning with the 2019 audit year (ending December 31, 2019). We invite your firm to submit a proposal to us for consideration. A description of the Foundation, the services needed, and other pertinent information follows.

Organizational Overview

Health Forward Foundation is an independent public foundation whose mission is to provide leadership, advocacy, and resources to eliminate barriers and promote quality health for the underserved and uninsured. The Foundation’s service area is defined as Kansas City, Jackson, Cass and Lafayette counties in Missouri, Johnson, Wyandotte and Allen counties in Kansas. The Foundation is exempt from federal income tax under the provisions of section 501 (c)(3) of the Internal Revenue Code and is classified as a supporting organization under section 509(a)(3).

The Foundation was created in 2003 with an original endowment of \$440 million upon the sale of the nonprofit hospital system of Health Midwest to Hospital Corporation of America, a for-profit hospital management company. The Foundation is governed by a 21-member board of directors and is managed by a professional staff of 24 employees.

The Foundation currently has approximately \$750 million of assets across 45 different investments including equities, fixed income, private equity, real estate, and alternatives. The Foundation’s 2019 expense budget is \$30 million, comprised of \$23 million for grantmaking, \$1.8 million for other programmatic expenses, and \$5.2 million for operating and administrative expenses.

The Foundation’s Audit Committee is responsible for overseeing the annual audit and relationship with the auditors on behalf of the Foundation’s Board of Directors.

Health Forward is committed to promoting diversity and cultural competency in its programming, vendor selection, personnel and employment practices, and governance. Health Forward views diversity as a fundamental element of social justice and integral to its mission of helping health and health providers improve health in Kansas City. Health Forward uses the term “diversity” broadly to encompass both differences in the attributes of individuals (such as race, ethnicity, age, gender, sexual orientation, physical ability, religion and socioeconomic status) and of organizations (foundations and giving programs of differing sizes, missions, geographic locations and approaches to grant-making). Any violation of Health Forward’s diversity policy shall be considered a violation of a material provision of any agreement with the Foundation and shall be grounds for cancellation, termination or suspension in whole or in part of any such agreement.



The respondents shall at all times in the proposal and contract process comply with all applicable state and federal anti-discrimination laws, rules, regulations and requirements thereof.

Health Forward is subject to the Missouri Sunshine Law, the Missouri State Open Meetings and Records Law.

Additional information about Health Forward Foundation can be found at our website: www.healthforward.org.

Services to be Performed

Your proposal is expected to cover the following services:

1. Annual audit to be completed in conformity with generally accepted accounting principles.
2. Preparation of Form 990 and 990T, including any additional required disclosures and state tax filings.
3. Attendance at the Foundation's office for three key meetings including: (1) Spring Audit Committee meeting to present the audit engagement plan; (2) Summer Audit Committee meeting to review the draft audit reports and tax returns; and (3) Late Summer Board of Directors meeting to present the finalized audit reports and tax returns.
4. Provide ongoing guidance on accounting and tax issues that may arise either out of review of the Foundation's activities and investment portfolio, as a result of regulatory changes, or as requested by the organization.

Relationship with Prior Audit Service Provider

The Foundation's current auditor (including for the 2018 audit) is House Park Dobratz & Wiebler. Our decision to issue this RFP for auditing services is solely an indication of our desire to be diligent fiduciaries of the Foundation and perform periodic requests for proposals for our auditing services. This RFP is not arising out of any disagreement or difference of opinion with our current auditor.

Your Response to This Request for Proposal

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

1. Provide a brief history of your firm’s local office and predecessor firm(s), if any. Include the number of partners, managers, and other professional and support staff in each functional area of your firm.
2. Qualifications of the firm with respect to services provided to non-profit, public or charitable foundations. What percent of the firm’s business is attributed to non-profit clients? Include a client distribution of your firm’s local office per the following table:

For all Foundations and Endowments

Total Asset Value	Number of Clients
Below \$100 Million	
\$101 - \$500 Million	
\$501 Million – \$1 Billion	
Above \$1 Billion	
Total	

3. Provide a list of representative clients including the names of local office tax-exempt foundation clients gained and lost over the past 5 years.
4. Qualifications and experience in general and specific to services provided to charitable foundations of the engagement team who would be assigned to the Foundation. Please provide resumes of the engagement partner and manager.
5. Has your firm’s local office or a member of your firm’s local office been involved, as a party or otherwise (other than as an expert witness) in any litigation, arbitration, disciplinary proceeding or other legal proceedings? If so, provide an explanation and indicate the current status or disposition.
6. Describe the firm’s policy on independence and its process for identifying, avoiding and/or resolving independence issues.



7. Describe your firm's commitment to diversity, including examples of your firm's diversity efforts that you believe demonstrate your capacity to translate your philosophy into effective action.
8. Provide a description of your firm's overall audit philosophy and how it will benefit our Foundation. Please include your firm's approach on communications with clients throughout the year, scheduling of engagements, and continuity of staff on audit.
9. Describe your approach for keeping the Foundation current on accounting and regulatory issues.
10. Provide a detailed timetable by phase for the services to be provided. Generally, the deadline to deliver the draft audited financial statements and tax returns is the middle of July.
11. The Foundation expects to establish a multi-year working relationship with its auditors. Please describe your proposed audit and tax preparation fees by year for the following fiscal year: 2019, 2020, 2021. For 2019, include an estimate of hours to be worked by various experience levels of personnel along with their hourly rates. Describe whether audit and tax services will be provided at discounted rates for a public charity.
12. Describe how you bill for questions on technical matters that may arise throughout the year.
13. References: provide contact information for three tax-exempt clients (preferably charitable foundation clients) of the partner and manager that will be assigned to the Foundation.
14. Include a copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments.

Proposal Process

Clarifying questions should be emailed to RFP@healthforward.org by **5:00pm on Monday, August 26th, 2019**. The Foundation will make every attempt to respond to all submitted questions by 5:00pm on Friday, August 30th.

If you do not plan to submit a proposal, we would appreciate a courtesy email to RFP@healthforward.org by **Friday, August 30th**.



Final electronic responses to this request for proposal should be emailed to RFP@healthforward.org no later than **5:00pm on Friday, September 13th, 2019**. Please do not send hard copies. Please do not send any supporting or supplemental materials unless directly related to an item requested in this document.

It is expected that a small number of finalists will be invited to interview with Foundation staff and Audit Committee members on Wednesday, **October 23rd**. We will make every effort to contact finalists by **October 14th**.

Evaluation of Proposals

The Health Forward Foundation will evaluate proposals on a qualitative and quantitative basis. This includes a review of provided proposals and materials, interviews with senior engagement personnel to be assigned to the Foundation, results of discussions with other clients, and the firm's completeness and timeliness in its response to us.

The Foundation reserves the right to reject any or all proposals submitted; request additional information from any or all firms submitting proposals; conduct discussions with respondents for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements; and negotiate modifications to the firm's proposal prior to final award for the purpose of obtaining best and final offers.

In seeking audit and tax proposals, Health Forward is looking for a partnership that will provide the most value. Although cost is a necessary consideration, we will also be evaluating the firm's experience, ability to provide high quality services and advice, and its continual commitment to quality.

Sincerely,

A handwritten signature in blue ink that reads "Christena Diven".

Christena Diven
Senior Accountant

Attachments:

Audited Financial Statements for fiscal years ended December 31, 2018 (Draft) and December 31, 2017