

The National Council of Higher Education Loan Programs (NCHELP) is accepting proposals from CPA firms to provide audit (and tax) services for our organization in the future. We invite you to submit a proposal to us by January 31, 2008 for consideration beginning with our fiscal year ending June 30, 2008. A description of the organization, the services needed, and other pertinent information follows:

Background of National Council of Higher Education Loan Programs, Inc. (NCHELP)

NCHELP is a 501(c) (3) organization that was established to enhance the administration of the Federal Family Education Loan Program and to ensure that educational loans would be accessible to students in all states. NCHELP is member-based, with approximately 190 members nationwide, composed primarily of guaranty agencies, non-profit and for profit lenders, and student loan servicers and collection agencies. Annual revenues total approximately \$3 million per year, and NCHELP employs 11 individuals in multiple locations, with its principal office in Washington, DC. NCHELP has a June 30 fiscal year end, with a requirement to file audited financial statements to its Board of Directors and general membership by its September Board of Directors meeting each year.

Services to Be Performed

1. Each proposal must include all services required to conduct an audit and express an opinion upon the financial statements of the organization for each year of the contract period.
2. The audit must be performed in accordance with Generally Accepted Auditing standards.
3. The selected auditor will be expected to produce the following reports:
 - i. Independent auditors report on financial statements of the organization's activities.
 - ii. Report of current year findings and questioned costs.
 - iii. Report of status of prior year findings and questioned cost.
 - iv. A management letter, with appropriate recommendations, commenting on material weaknesses in internal accounting controls, reportable conditions, and identifying possible noncompliance with finance related legal provisions.
4. The selected auditor will prepare required tax returns for the organization's (Form 990).

5. On an as needed basis, the selected auditor will also be expected to discuss current business, operational, accounting, and auditing matters affecting the organization and provide advice on tax planning and other tax matters.
6. Audit services will be provided according to the following schedule:
 - i. The audit plan including a list of schedules to be prepared and other items required for the audit will be presented to the NCHELP Controller prior to June 1st of each year.
 - ii. Pre-closing and interim tests and procedures shall be conducted at a time mutually agreeable to the auditor and NCHELP Controller.
 - iii. The final onsite audit will be conducted in NCHELP's offices during the last two weeks of July and first week of August. NCHELP will provide space deemed adequate by the auditor to efficiently conduct the audit.
 - iv. Prior to completion of the onsite audit, the auditor will meet with the NCHELP Controller to review adjusting journal entries and discuss any adjustments or concerns that might effect the completion of the audit.
 - v. Prior to submission of the completed reports, the auditor will be required to review a draft of the proposed reports and management letter with the organization's **President, Treasurer and Chair of the Audit Committee**. The management letter will be sent to the President and the members of the Audit Committee.
 - vi. Report completion and an exit conference are required by August 31st of each year.
 - vii. The financial audit reports must be submitted to the President, Treasurer and the members of the Audit Committee no later than August 31st of each year.
 - viii. The auditor will present the financial statement and management letter at a meeting of the Board of Directors as requested.
 - ix. The auditor will meet with the NCHELP Audit Committee as needed – normally two times per year.
7. Each proposal must include all services required for the preparation of accurate and timely filing of all tax returns for NCHELP (Form 990).

Key Personnel (as of December 1, 2007)

Brett E Lief	President and Secretary	(202) 822-2106
Kevin Bradley	Controller	(240) 453-9100
Janie Westberry	NCHELP Treasurer	(850) 410-6810
Tim Connell	Chair, NCHELP Audit Committee	(770) 724-9003

Requests for additional information, visits to our site, review of prior financial statements and tax returns, and/or appointments with the President or Controller should be coordinated through the NCHELP Controller. You may reach them at the numbers listed above. The NCHELP Treasurer and Chair of the Audit Committee are elected by the voting membership every two years. Ms. Westberry's term expires on June 30, 2008 and Mr. Connell's on June 30, 2009. Please return the completed proposal to Mr. Connell at: Georgia Student Finance Committee, Suite 200, 2082 East Exchange Place, Tucker, GA 30084.

Relationship with Prior CPA Service Provider

These services have been provided by F.S. Taylor and Associates, Certified Public Accountants, Washington, DC. In preparing your proposal, be advised that management will give permission to contact the prior auditors.

F.S. Taylor and Associates had been providing these services for the past 12 fiscal years. NCHELP's Board of Directors and Audit Committee believe that, at a minimum, solicitation of periodic bid requests for accounting firm service providers is a prudent course of action. This decision was made after much discussion over the past several years, and both the Board and Committee believe that such action is consistent with best practices as they exist in the current accounting and audit environment. F. S. Taylor and Associates will receive a copy of the RFP.

Your Response to This Request for Proposal

In responding to this request, we request the following information:

1. Detail your firm's experience in providing auditing and tax services to companies in the not-for-profit sector, as well as associations of a comparable size to NCHELP, including those with national memberships.
2. Provide information on whether you provide services to any related industry associations or groups.
3. Discuss the firm's independence with respect to NCHELP.
4. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
5. Identify the five largest clients your firm (or office) has lost in the past three years and the reasons. Also discuss, in instances where loss of the client was due to an

- unresolved auditing or accounting matter, the process of attempting to resolve the issue.
6. Identify the partner, manager, and in-charge accountant who will be assigned to our job if you are successful in your bid, and provide biographies. Indicate any complaints against them that have been leveled by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
 7. Describe how your firm will approach the audit of the organization, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the firm's use of technology in the audit. And finally, discuss the communication process used by the firm to discuss issues with the audit committee of the Board.
 8. Furnish standard billing rates for classes of professional personnel for each of the last three years.
 9. Provide the names and contact information for other, similarly sized clients of the partner and manager that will be assigned to NCHELP for reference purposes.
 10. Describe how and why your firm is uniquely qualified for this assignment, and why our selection of your firm as our independent accountants is the best decision we could make.
 11. 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.

Pricing

Each proposal must contain an all-inclusive fixed price for provision of the services identified in the Services to be Performed section of this solicitation. The all-inclusive fixed price should contain all costs associated with performing the services described in the Services to be Performed section of this solicitation including all direct and indirect costs and all out-of-pocket expenses. NCHELP will not be responsible to any Offeror for expenses incurred in preparing and submitting a proposal. NCHELP seeks to contract with the selected audit firm for a period of three years. Respondents should thus provide an all-inclusive fixed price for:

FY08

FY09

FY10

Questions

ALL questions related to this request for proposals should be directed by email to the Chair of the NCHELP Audit Committee, Mr. Tim Connell by no later than 4:00 PM (EDT) on January 4, 2008. No questions other than by the above means will be accepted. Any and every other communication between respondents and NCHELP staff or Board

regarding issues raised by this request for proposals is prohibited and may result in disqualification.

Email questions to:

Mr. Tim Connell

At: timc@gsfc.org

Written responses to questions will be posted at www.gsfc.org on the [Request for Proposals](#) page in the Bulletin Board; under the link “NCHELP Audit Question Responses”.

Evaluation of Proposals

NCHELP will evaluate proposals on a qualitative basis. This includes our 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.

Please submit one (1) original and eight (8) hard copies of your response to this request for proposal by January 31, 2008. No electronic proposals will be accepted. The responses to this RFP should be sent to Mr. Tim Connell at 2082 East Exchange Place Tucker, Georgia 30084.