

April 20, 2017

TO: Board of Directors

FROM: Lina Aybinder, Karen Mitchell, Paul Murray

RE: Auditor Recommendation

Background:

ArtStream's current auditor, Brooks, Harrison Company, LLC, completed the audit and 990 for four years for an annual fee of \$6,120. Standard practice is to review the auditor every 3-5 years. A request for proposals was sent to ten audit firms. Six proposals were received and reviewed. Annual fees ranged from \$6,000 to \$13,900.

Lina, Karen and Paul selected the top two auditors, Gorfine, Schiller & Gardyn, PA, and Hertzbach & Company, PA, based on qualifications, including fees, availability for questions, reputation, and experience with nonprofits. Three references were interviewed for each.

Proposal:

The Task Force recommends Gorfine, Schiller & Gardyn, with an annual fee of \$6,000, and annual increases of \$200/year.

Rationale:

The top two firms received equivalent recommendations. Gorfine's fees are \$3,000 lower than Hertzbach's.

References highly recommended Gorfine, citing quick and efficient field work; timely delivery of the audit and 990; understanding of nonprofits and staff constraints in terms of getting information to them; communicative, clear, and explicit about the audit materials; and responsiveness/availability throughout the year. Specific comments included a corrected return at no additional charge even though the client made the error, Gorfine is very interested in training personnel on efficiencies, "best auditor I've ever had" and "no negatives." The average relationship with Gorfine for these references is 8 years.