



**REQUEST FOR PROPOSAL
CPA Services
HOLY CROSS ELECTRIC ASSOCIATION, INC.**

Introduction

Holy Cross Electric Association, Inc., DBA Holy Cross Energy, (HCE) is seeking proposals from CPA firms (the "Vendor") for a multi-year engagement to provide HCE's annual financial audit and prepare its IRS Form 990.

Founded in 1939, Holy Cross Energy is a not-for-profit rural electric cooperative that provides safe, reliable, affordable and sustainable energy and services that improve the quality of life for more than 43,000 members and their communities in Western Colorado. HCE is committed to leading the responsible transition to a clean energy future and has set a goal of obtaining >70% of its power supply from clean and renewable energy resources by 2030. HCE is a wholesale customer of Xcel Energy, but obtains its power supply from a variety of additional resources, including purchase power agreements for biomass, solar, hydro, and economy energy from the regional power pool. HCE also owns 8% of the 750 MW Comanche Unit 3 coal-fired power plant near Pueblo, the output of which it sells to Guzman Energy under a power purchase agreement.

HCE's main business headquarters is in Glenwood Springs, CO with other facilities and operations in Avon, CO; Gypsum, CO; and Aspen, CO. HCE has approximately 160 employees and had annual revenue in 2017 of \$135 million. Total electric utility plant in service was \$408 million as of the end of 2017. The total number of electric services in place at the end of 2017 was 59,827, with electric sales of 1.23 billion kilowatt-hours, split 51% residential and 48% commercial, with a small amount of agricultural and street lighting sales. HCE has a fiscal year ending April 30, is a member of National Information Solutions Cooperative (NISC) and uses NISC's iVUE platform. In 2017 HCE became a 100% National Rural Utilities Cooperative Finance Corporation (CFC) borrower.

For more information about Holy Cross Energy please visit <https://www.holycross.com/>

Timetable

HCE expects to adhere to the timetable shown below. It should be noted, however, that the target dates are approximate and subject to change without notice.

Release of RFP:	July 1, 2019
Proposal(s) due:	September 30, 2019
Award Date:	December 31, 2019
Start Date:	Preliminary audit work can begin immediately following award date.

Audit Requirements

1. Conduct an annual audit and provide an opinion on the fair presentation of the financial statements of HCE in accordance with generally accepted accounting and auditing standards for the years ending April 30, 2020, 2021 and 2022. This will include a report on compliance with applicable laws and regulations, an internal control report to management communicating reportable conditions found during the audit and when applicable, a single audit report.
2. The auditor will have the final audited financial report completed by the first week of August. The auditor will be responsible for the preparation, editing, printing, and assembly of the financial statements and footnotes.



3. The auditor will present the audit findings to the Board of Directors at the August board meeting. The Board meets on the third Wednesday of the month.
4. HCE's staff will be available to assist the auditors during the audit process and will provide supporting documentation as requested. As part of this audit response HCE requests that the auditor provide a list of any required schedules that the staff of HCE will be expected to prepare as part of the audit.
5. Complete and file the Annual IRS Form 990 for HCE for the years ending 2019, 2020, and 2021.
6. The auditor shall keep HCE informed throughout the year of any new requirements and/or changes in financial reporting disclosures and/or IRS regulations.

Responses

Responses must be submitted no later than close of business on the date indicated in the timetable above. Late responses will not be considered. Each respondent shall bear all expenses associated with the preparation and submission of their proposal.

Submit proposals to Andrew Schiller, HCE's Vice President - Finance via email aschiller@holycross.com with CC: to Board Treasurer apalmer@holycross.com

Proposals should include:

- Number and nature of the professional staff to be employed in the engagement
- Overview of the firm
- Number of employees at the firm
- Number of utilities audited by the firm
- Number of electric utilities audited by the firm
- Number of electric cooperatives audited by the firm
- Three references of electric cooperatives (include name, address, phone, and contact name)
- Estimated time on-site
- All-inclusive price for periods ending April 30, 2020, April 30, 2021, and April 30, 2022.
- Breakdown of pricing for the following annual services:
 - o Audit
 - o IRS Form 990
 - o Out of pocket expenses
 - o Other additional fees
- 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.

Inquiries

Any inquiries concerning interpretation, clarification, or additional information pertaining to this RFP shall be submitted via email to Drew Schiller aschiller@holycross.com

Confidentiality



This document has been prepared by HCE and is being given to Vendor in consideration of Vendor's agreement to treat the information contained within this document and related business discussions as confidential, to provide Vendor with an opportunity to respond to HCE's requirements as contained further herein. The information enclosed in this document is proprietary to HCE. HCE is not conveying any ownership to any party by disclosing this information. By accepting this document, Vendor agrees that Vendor will: (1) treat this information as confidential; (2) not allow any other person or entity to see it or use it; and (3) not use it in any way other than to prepare the requested response.