



I E T F®

The IETF Administration LLC  
On behalf of  
The Internet Engineering Task Force

## Request for Proposal

*IETF SECRETARIAT SERVICES*  
**CPA Financial Services Questions & Answers**

Date: July 12, 2019

<b>Accounting Software</b>	
<b>1) What accounting software is in use?</b>	QuickBooks. A desktop version that is easily transferrable to QB online.
a. Who owns or licenses the accounting software?	AMS, the firm currently providing Secretariat services.
b. Is the LLC expecting the new service provider to continue using the same accounting system or can it be changed to a system of choice by the new service provider?	It can be changed.
c. Will any personnel from the LLC need to access the accounting system?	Possibly the permanent ED and treasurer if needed.
d. Please list any additional accounting applications such as accounts payable processing, expense report processing, time keeping, invoicing, etc.	<ul style="list-style-type: none"> <li>• Merchant Accounts for credit card processing</li> <li>• Excel</li> </ul>
e. Are there manual tasks currently taking place that you would like to automate?	Dependent upon the final SoW.
f. What system is used to track registration fees?	AMS' registration system.
i. How is meeting registration revenue input into the accounting system?	Manual export.
g. Are bank and credit card accounts linked to the accounting system?	They are not linked.
<b>Accounting Services</b>	
<b>2) Are accounting services expected to be provided on premises, virtually, or a combination of both?</b>	The IETF LLC does not maintain offices so virtually most of the time but travel to the Secretariat's offices may be required from time to time.
a. If services are expected to be provided on premises, please identify the office location where the work is to be performed.	
<b>3) Does IETF have documented accounting policies and procedures?</b>	We do, but it is still in draft form.
a. If so, when was the last update?	November 2018.
<b>4) When do you expect to hold conference calls with offerors?</b>	To be determined.
<b>5) Are there performance issues that are leading to this RFP?</b>	<p>a. No.</p> <p>b. Practicing good corporate governance was the rationale for this RFP.</p>
a. If yes, please explain what issues need to be resolved (i.e. inaccurate reports, lack of	

b. timely close, services too expensive, etc.)	
6) Is the current accounting service provider expected to close the year before terminating services?	Yes.
7) Is the current accounting service provider expected to participate in the transition to a new service provider?	Yes.
8) How many team members does the current accounting service provider utilize?	Technically, it's one person doing the accounting service but there are additional staff at the Secretariat performing meeting-related activities.
9) Do you feel the budget for accounting services for 2019 of \$199,675 and \$204,667 for 2020 is appropriate?	We have conservatively budgeted as the IETF LLC is new.
10) Please list the top 3 items that work well in your current accounting environment.	<ul style="list-style-type: none"> <li>• Revised budget process established in 2018</li> <li>• Timely payment of invoices &amp; production of monthly statements</li> <li>• Quick response of decision makers</li> </ul>
11) Please list the top 3 items that are not working well in your current accounting environment.	The IETF LLC is new and have identified no issues with our current provider. But as noted earlier, good governance would dictate using a separate firm for CPA Financial services.
12) What are the top 3 expectations from the new service provider that are high priority?	<ol style="list-style-type: none"> <li>1. Smooth transition.</li> <li>2. Good relationship with the other Secretariat provider(s).</li> <li>3. Clears communication with ED.</li> </ol>
13) What is the organizations biggest accounting related challenge?	The biggest challenge will be ensuring that the new accounting firm and the secretariat work well together.
<b>Banking &amp; Investments</b>	
14) Number of LLC bank accounts?	Wells Fargo (2) SunTrust (1) – in the process of being termed
15) Number of investment accounts?	Goldman Sachs (2)
16) Are the bank transactions/bank reconciliations currently automated?	No
<b>Statements/Audits/990</b>	
17) When was the board last provided financial statements?	The board has the May 2019 statements and the June 2019 statements will be sent by the 18 <sup>th</sup> .
18) When are the monthly financial report due/timeline?	<ul style="list-style-type: none"> <li>• 13<sup>th</sup> of month due to ED</li> <li>• 18<sup>th</sup> of month due to board</li> <li>• <a href="https://www.ietf.org/about/administration/financial-statements/">https://www.ietf.org/about/administration/financial-statements/</a></li> </ul>
19) Is the organization up to date on its 990 filings?	As a disregarded entity of the Internet Society, our information is included in their 990.
20) Who is the organizations auditor/990 preparer?	The auditor for the Internet Society is RSM.

<b>21) Who will be the main point of contact for the engagement if we are selected?</b>	The main POC will be the Executive Director. Currently, there is an interim ED, but a job search is underway to select the permanent ED.
a. Does this person have adequate time to supervise the engagement and provide the inputs needed to help make it successful?	Yes.
<b>22) Are there indirect cost or overhead cost allocations required?</b>	No overhead, only virtual office administrative costs.
<b>23) When is the audit typically provided to the Internet Society?</b>	As the IETF LLC is a disregarded entity of ISOC, a separate audit is not required and has not been conducted to date. As mentioned before, the LLC's financials are rolled up into ISOC's.
<b>24) Please provide the most recent audited financial statement.</b>	The LLC's financials are rolled into that of the Internet Society. We do not currently have a separate audit.
<b>25) General timing of the year-end audit</b>	Mid to late February.
<b>Budget &amp; Chart of Accounts</b>	
<b>26) Organization's year end</b>	December 31.
<b>27) Annual revenue budget amount</b>	\$9m <a href="https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf">https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf</a>
<b>28) Major revenue sources</b>	Internet Society and meeting sponsorships.
<b>29) The chart of accounts appears to be brief, is the chart of accounts on your website the most detailed version of the chart of accounts?</b>	Yes.
<b>30) When does the annual budget process typically begin and when is the budget typically approved?</b>	It starts in August and should conclude no later than September 30.
<b>Transactions</b>	
<b>31) How are vendor payments currently handled?</b>	Wire transfers and ACH transactions.
<b>32) Is there a software for workflow and payment automation?</b>	No
<b>33) How many accounts payable invoices are processed in a typical month?</b>	20 to 30
<b>34) How many accounts receivable invoices are processed in a typical month?</b>	4 to 5
<b>35) Number of checks/ACH/wire transfers to vendors per month or per year?</b>	20 to 30
<b>36) Frequency of check runs required per month</b>	Twice/month
<b>37) Any company credit cards being used or will be used by employees or other</b>	We do not currently have credit cards; however, anticipate the permanent ED will have a card.

<b>individuals? If so, how many cards?</b>	
<b>38) Number of expense reimbursement payments per month or per year?</b>	Approximately 30 to 40 per year
<b>39) Number of checks/credit card payments/wire transfers received from revenue sources other than meeting registrations per month or per year?</b>	0
<b>40) Are there any multi-currency transactions?</b>	Rarely
<b>41) Approximately how many journal entries transactions are recorded monthly?</b>	40 - 60 most months; about 100+ for meeting months
<b>42) Number of 1099s per year?</b>	10 - 20 per year, but as noted it rolls up into ISOC's.
<b>Meetings</b>	
<b>43) How many meetings are held per year?</b>	There are three IETF meetings held per year.
<b>44) Please provide an example of the referenced financial report for meetings.</b>	<a href="https://www.ietf.org/media/documents/103-meeting-financials.pdf">https://www.ietf.org/media/documents/103-meeting-financials.pdf</a>
<b>45) Please provide an example meeting budget.</b>	<a href="https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf">https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf</a> Please see page four.
<b>46) Please provide an example meeting forecast.</b>	<a href="https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf">https://www.ietf.org/media/documents/IETF_2019_Budget_Public_2018-12-19.pdf</a> Please see page four.
<b>47) For registration fees deposited into the LLC's bank account, are these deposited by daily batch total or by each attendee?</b>	Processed through Authorized.net and batched daily.
<b>48) Will the Meeting Services provider maintain the registration, sponsorship and social events payment detail and provide reports to support bank deposits?</b>	Yes
<b>Timekeeping &amp; Payroll</b>	
<b>49) Payroll service provider and frequency of payroll</b>	We do not currently have payroll.
<b>50) Will the LLC have any employees? Will the new permanent ED be an employee of the LLC?</b>	Yes, the permanent ED will eventually be an employee of the LLC.
<b>51) Is there a timekeeping requirement for employees?</b>	At the beginning, there will be only one employee - the ED. Whether there is time keeping required will be determined by their employment contract.
<b>52) Does the LLC need assistance with setting up payroll, benefits and HR support?</b>	To be determined.
<b>53) Is the financial services provider responsible for reconciling time entries and</b>	Not currently applicable. To be determined.

<b>providing input to the payroll processor</b>	
<b>Other</b>	
<b>54) Please define “annual report of business” as listed in the Section D. Proposal Format, item 16 on page 15 of the RFP.</b>	Your organization's report that provides a look at the prior year's activities and financial performance.
<b>55) How often does the board and finance committee meet?</b>	Currently bi-monthly; however, eventually once a month.
<b>56) Can the LLC provide the most recent trial balance from the current accounting system?</b>	Eventually as we're further along in the process.
<b>57) Number of grant financial reports required and the frequency of the reporting</b>	Not applicable to the LLC.
<b>58) Is there any outstanding debt?</b>	No.
<b>59) Will the financial services team be responsible for any sales and/or use tax processing requirements?</b>	Not currently applicable.
<b>60) Will the financial services team be responsible for any inventory tracking needs?</b>	The LLC currently owns donated equipment for meeting services that must be tracked on our balance sheet.
<b>61) Will the financial services team be required to reconcile financial data with a customer relationship management system?</b>	Not currently applicable. To be determined.
<b>62) Will the financial service team be required to perform any HR management tasks?</b>	Not currently applicable. To be determined.