# Rainbow Railroad & Rainbow Railroad USA
# REQUEST FOR PROPOSALS

## Audit and Related Services

Rainbow Railroad is soliciting proposals from CPA firms to provide audit and related services for Rainbow Railroad (Canada) and its affiliated entity, Rainbow Railroad USA Inc. We invite the submission of a proposal by **August 5, 2026** for our consideration.

The Board of Directors will make the final decision to recommend approval of the auditors to its members at the 2026 Annual General Meeting. A description of the organizations, the services required, and other pertinent information follows.

## 1.0 Background and Filing Requirements

### Rainbow Railroad (Canada)

Rainbow Railroad is a charitable not-for-profit incorporated under the Canada Not-for-profit Corporations Act and registered under the Income Tax Act (Canada). It is an international human rights organization that creates pathways to safety for at-risk LGBTQI+ people and strengthens the policies and systems that support their protection and integration. Rainbow Railroad works as a direct service provider, advocate, thought leader, and movement strategist addressing global queer forced displacement, guided by a commitment to becoming a refugee-led organization that centres the experiences, leadership, and authority of LGBTQI+ refugees.

Annual revenues are approximately **$11 million** . The organization employs  people in its Toronto location and remotely, and is governed by an elected board of  directors. The fiscal year-end is December 31.

Rainbow Railroad (Canada) files an approved audited financial statement with the Government of Canada and Rainbow Railroad USA files approved audited financial statements with the Government of the United States once it is approved by the members during the AGM. It will be a part of the annual AGM package of each year.

### Rainbow Railroad USA Inc.

Rainbow Railroad USA Inc. is an affiliated United States 501(c)(3) organization that shares a common Board of Directors with Rainbow Railroad and supports Rainbow Railroad's programming and administration. Rainbow Railroad USA Inc. has a December 31 fiscal year-end and is subject to a full financial statement audit under United States auditing standards, together with federal and state charitable filings described in Section 2.0. There are recurring intercompany transactions between the two entities, and coordination of the intercompany balances across both audits is important.

## 2.0 Services Requested

Proposals are requested for the services set out below. Please note that Rainbow Railroad and Rainbow Railroad USA Inc. are separate legal entities reporting under different national standards (Canadian accounting standards for not-for-profit organizations for the Canadian entity, and United States generally accepted accounting principles for the United States entity). Each entity produces stand-alone audited financial statements.  However, members of the Rainbow Railroad are members of the Rainbow

Railroad USA. Rainbow Railroad (Canada) is financially related to Rainbow Railroad USA through a contractual agreement.

### 2.1 Rainbow Railroad (Canada)

- Annual financial statement audit under Canadian accounting standards for not-for-profit organizations (ASNPO)
- Preparation and filing of the T3010 Registered Charity Information Return and all related forms and schedules
- Grant assurance and audit engagements required by funders, including the Government of Canada (for example WAGE, IRCC, GAC) and other funders such as the Foreign, Commonwealth and Development Office, on a per-engagement basis as requested Management letter communicating any significant deficiencies or material weaknesses in internal control over financial reporting identified during the audit
- Meetings with the audit committee and Board of Directors
- Attendance at the Annual General Meeting

### 2.2 Rainbow Railroad USA Inc.

- Annual financial statement audit under United States generally accepted auditing standards
- Preparation and filing of IRS Form 990, Return of Organization Exempt from Income Tax
- Preparation and filing of the New York CHAR500, NYS Annual Filing for Charitable Organizations
- Preparation and filing of the California RRF-1, Annual Registration Renewal Fee Report
- Preparation and filing of the California Form 199, Exempt Organization Annual Information Return
- Preparation and filing of the New Jersey CRI-300R, Long-Form Renewal Registration / Verification Statement, including the certified audit attachment
- Management letter and meetings with the audit committee and Board as required

### 2.3 Bid Structure

We invite all consultants to submit for the following:

**(A)** Rainbow Railroad (Canada) only;

**(B)** Rainbow Railroad USA Inc. only; and

**(C)** both entities as a combined engagement.

## 3.0 Services Period

This proposal is for the fiscal years ending for 2026 to 2028. Please ensure you provide fee information for all years, for each entity (or both).

## 4.0 Documents Provided

Please indicate in advance of the submission if you have an interest in responding to the RFP by email to anweke@rainbowrailroad.org. If you have additional requests, please include them in your email.

- The most recently completed audited financial statements and related tax and charitable filings for Rainbow Railroad and Rainbow Railroad USA Inc.

- The prior year auditors' year-end packages, including proposed journal entries, management letters, and all formal communications to the Board of Directors
- A current listing of the Board of Directors
- The most recent trial balance for each entity

## 5.0 Key Personnel

Key contacts for any further information you may need are:

- **Ann Nweke, Controller**, anweke@rainbowrailroad.org

## 6.0 Financial Systems

Rainbow Railroad maintains its accounting records in **QuickBooks Online**, using a dedicated class for each grant funding the entities receive to enable filter and group reporting by funder.

Because the Rainbow Railroad Canada team works across two entities and multiple funder reporting requirements, the way a firm manages information requests and secure data exchange is important. Our expectations on that point are set out in Section 9.0(3).

## 7.0 Relationship with Prior CPA Firms

Audit and related services for Rainbow Railroad (Canada) have been provided by Hilborn LLP for over six years. United States audit and filing services for Rainbow Railroad USA Inc. are currently provided by PKF. As part of good governance and best practice, we are undertaking our regular evaluation of external audit services. In preparing your proposal, please be advised that management will give you permission to contact the prior auditors should you be successful in the selection process.

## 8.0 Audit Initiation of Work

The desired timeframe for fieldwork is early February for Rainbow Railroad USA and late February and early-March for Rainbow Railroad (Canada). The audit report would need to be presented to the Board in April for Rainbow Railroad USA and May 2027 for Rainbow Railroad (Canada).

## 9.0 Submission Requirements

In responding to this request, please provide the following information.

**1. Experience.** Detail your firm's experience providing audit and related services to entities in the not-for-profit sector, including organizations of similar size and, where applicable, cross-border Canada and United States charitable groups.

- Describe what differentiates your firm from the other firms being considered, and why selecting your firm as our independent auditors is the best decision we could make.
- Indicate how the firm performed on its most recent practice inspection by the provincial CPA body (and the applicable United States peer review, if bidding on the United States entity).
- Provide the firm's professional liability insurance coverage.

**2. Team.** Discuss the commitments you will make to staff continuity, including your staff turnover experience over the last three years.

- Identify the partner, manager, and in-charge accountant who will be assigned to our engagement, and provide biographies.

- Where the United States entity is in scope, identify the United States licensed professionals responsible for the Form 990 and United States audit.

3. **Audit Process and Technology.** Describe how your firm will approach the audit, including the use of any contract staff located within or outside of Canada, and explain how you monitor and maintain independence on an ongoing basis.

- **Client collaboration and secure file exchange.** Describe the client-facing document request and secure file exchange platform your firm uses (for example, Suralink). We require a single online portal through which all audit and tax requests are issued, tracked, and fulfilled, with real-time visibility of outstanding items. Describe how the platform prevents duplicate or ad hoc email and spreadsheet based requests, and how it secures the exchange of financial data. This is a stated evaluation criterion for us.
- **Accounting system integration.** Describe how you work with QuickBooks Online (and your experience with QBO), including our class-per-grant structure, and whether you obtain data by direct integration or by export.
- Discuss the communication process the firm uses to raise issues with management and the audit committee of the Board.
- Discuss the firm's use of technology in the audit and whether part or all of the audit can be performed remotely.
- Describe how your firm will work to meet our reporting deadlines for each entity.

4. **Cost.** Provide current standard billing rates for classes of professional personnel, together with an expense policy describing how incidental costs are billed. Provide a fee proposal broken out as follows, for each year in the services period:

- Rainbow Railroad (Canada): annual audit; T3010 and related forms.
- Funder-required grant assurance engagements, priced per engagement
- Rainbow Railroad USA Inc.: annual audit; Form 990; NY CHAR500; NJ CRI-300R
- Combined engagement (both entities), including any efficiency or coordination discount
- Describe how you bill for questions on technical matters that arise throughout the year.

5. **References.** Provide three names and contact details of other similarly sized not-for-profit clients of the partner and manager who will be assigned to our engagement.

## 10.0 Evaluation of Proposals

The process will be evaluated as follows:

| Evaluation Criteria | Weighting |
|---|---|
| Not-for-profit and, where applicable, cross-border audit experience and sector fit | 15% |
| Team quality and staff continuity | 15% |
| Audit approach, including the client collaboration and secure file exchange platform and accounting-system integration described in Section 9.0(3) | 30% |
| Fee, across each entity and the combined engagement | 30% |
| References | 10% |

## 11.0 Evaluation of Proposals

| Milestone | Deadline / Timeline |
|---|---|
| Draft and finalize RFP for audit recruitment (internal) | July 2026 |
| Posting of RFP | Mid-July |
| Proposal deadline | August 5, 2026, 5:00 PM ET |
| Evaluation of proposals and interviews (Treasurer meets top two or three) | August 11 to 13, 2026 (please hold 12:00 to 2:00 PM) |
| Final proposed selection to Finance Committee | August 2026 (roughly 1.5 weeks before board meeting) |
| Final proposed selection to Board (on recommendation of the Finance Committee) | September 2026 board meeting |
| Pre-audit meeting (Treasurer, Finance Committee, Finance team) | To be scheduled |