



DEAN || DORTON || ALLEN || FORD PLLC

NOT-FOR-PROFIT

NOT-FOR PROFIT

Not-for-Profit Industry Team

Dean Dorton Allen Ford, PLLC (DDAF), has provided assurance, tax, and business consulting services to not-for-profit clients since 1921. Not-for-profit clients are a large part of our firm's overall practice and range from organizations with very large revenue streams to organizations with resources as small as several thousand dollars. This impressive list of not-for-profit clients includes:

- 501(c) organizations with revenues as large as \$150 million
- Quasi-governmental entities with revenues as large as \$80 million
- Unincorporated associations and public entity risk pools as large as \$38 million
- Community hospitals ranging in size from 25 to 300 beds
- Public and private colleges, universities, and secondary schools
- Private foundations, churches, membership organizations, associations
- Charitable organizations and agencies

We recognize that the accounting standards applicable to not-for-profit organizations are periodically changed and expanded. We seek to keep our clients informed of these developments.

We believe that an important part of our service is working closely with our not-for-profit clients to help them develop their accounting procedures and to help them to better understand and use their financial information. Our goal is to provide not-for-profit organizations with quality traditional services while becoming an important resource for their management groups.

DDAF's not-for-profit team exists both to serve our not-for-profit clients more efficiently and to continue deepening our knowledge of the industry. The team is comprised of professionals who have considerable experience working with not-for-profit organizations and are genuinely committed to the industry. The expertise and size of the team enables us to provide the many services our clients need the most, all within one firm.

With one of the largest staffs in the Commonwealth, our team's experience is substantial and extensive. Government-related and not-for-profit organizations face a variety of unique accounting and income tax issues, and we stand ready to help.

Tax Compliance & Consulting Services

DDAF is staffed with recognized experts in the not-for-profit consulting and compliance field. Personnel involved in this area regularly receive specialized training, attend national seminars, and speak on the subject locally and regionally. Extensive training and on-the-job experience, coupled with very low turnover in this practice area, have enabled our not-for-profit consulting and compliance group to provide prudent and effective assistance to our not-for-profit clients. We are able to identify and implement strategies to protect exempt status, minimize unrelated business income tax, reduce exposure to intermediate sanctions, and provide the assurance that tax compliance responsibilities are being met. Annually, we prepare more than 130 IRS form 990s, including complex returns for colleges, private foundations, hospital systems, and other large not-for-



profit organizations. We are interested in the not-for-profit sector, know it's specialized issues, and provide a wide range of valuable services designed both to avoid future problems and to optimize tax results.

Audit Approach

Ours is a risk-based approach. Of course, we'll perform many traditional tests, such as confirming all of the cash and investments, vouching major fixed asset additions and performing procedures designed to identify any missing liabilities. But, for most not-for-profit entities, their reputation risk (or fraud risk) is by far their biggest business risk. Public, not-for-profit entities suffer mightily when even the smallest of frauds becomes a newspaper headline. As such, we'll spend much of our time understanding, documenting and testing the organization's internal controls in an effort to minimize reputation risk.

Our audit approach requires us to have a sound understanding of your operations and the environment in which you operate. We believe very strongly in proper planning of the audit. We will use audit procedures that mesh well with your operations, systems, and procedures. We will not waste your resources, or ours, using standardized formats or approaches that are not practical for your environment. Rather, we will work closely with your accounting personnel to identify the best audit approach for your situation. We have found that our tailored approaches are the most efficient for both client and auditor.

Technology Audit Techniques

DDAF converted to an electronic, paperless office in 2004. As a part of this conversion, existing audit techniques were significantly enhanced. We used our existing audit software package to implement a paperless audit approach. The new approach has provided efficiencies for our clients. Clients can now provide audit documentation in an electronic format rather than a paper format, saving both time and money. By combining advanced technology and traditional audit services, we can increase audit effectiveness and efficiency.

Sarbanes-Oxley (SOX)

DDAF has extensive experience that would serve you well in documenting and testing your internal control environment. Procedures such as these are often critical in helping your institution document its control environment and major processes. We can assist in designing the proper testing of processes and underlying controls.

Tax-Exempt Bonds

We have assisted many clients in not-for-profit bond issuances, helping with pro-forma financials, projections, and interim-reviewed financials, and have worked directly with clients' investment bankers.

Our Services

Assurance

- Financial statement audits, review, and compilations
- OMB Circular A-133 audits, program-specific testing, and other federal compliance reporting
- New accounting standards implementation
- Financial budget and projections
- Internal controls and accounting manual reviews
- Assistance and bond issues and debt refinancing

Tax

- Federal and state tax and information returns
- Excise tax and other tax issues for private foundations
- Tax issues for employee benefit plans, payroll taxes, W-2s, and 1099s
- Gift planning and reporting
- Sales and use tax planning
- Exempt status protection
- Valuation of gifts
- Endowment and annuities
- Non-exempt employee issues

Consulting

- Accounting system design
- Business plans
- Technology selection and installations
- Due diligence procedures
- Federal reporting requirements
- Financing alternatives
- Grant applications
- Operations reviews



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Our philosophy

At DDAF, our philosophy centers on an unyielding commitment to provide services that exceed our clients' expectations and are consistently superior to our competitors in quality and timeliness. Further, we strive to do so in a setting that is satisfying professionally and personally for firm employees.

Our core values

We maintain exceptionally high standards - ethically and professionally - while always meeting or exceeding our clients' expectations.

We are direct, timely, and effective in our communication, openly providing information while confidentially engaging in honest dialogue, as appropriate, with affected individuals only.

We are innovative problem-solvers and lifelong learners. We are always searching for ways to become better as people, as professionals, and as a firm.

We are a team, not a group of individuals, performing challenging work we enjoy for clients who appreciate us. We treat each other with respect and kindness. We strive to provide a pleasant, flexible, and family-supportive work environment.

We manage our firm as a business. We are prudent and are not wasteful of our resources.

About Dean Dorton Allen Ford

DDAF has provided accounting and advisory services to clients in a variety of industries since its legacy firms' inception. The firm has grown into one of the largest accounting firms in the Commonwealth. We have not grown for the sake of growth; rather, we have grown as a result of the market's appreciation for our approach to client service. We pride ourselves on being large enough to provide expert services while still maintaining our core values, which include personal and timely delivery of services.

Our goal in every client relationship is to help our clients reach their objectives. To do so, we know we must listen to our clients and develop a solid understanding of their needs. Once we understand their needs, we are able to bring the expertise needed. This service culture has allowed us to build long-term client relationships. In these relationships, we continue to listen and understand what the client wants to achieve and then bring the expertise needed to help them reach their goals. In short, we are successful when we help our clients succeed.