



LAURENS COUNTY
SOUTH CAROLINA

Request for Proposals

**Contract to Provide for Audits
For Fiscal Years
2023, 2024, 2025 and 2026**

**Contract Will Be For Fiscal Year 2023
With An Option To Renew Each Year For
Three Consecutive Years (Fiscal Years 2024,
2025 and 2026)**

Proposals due:
April 30, 2023 5 PM



**LAURENS COUNTY
SOUTH CAROLINA**

Request for Proposal

For Professional Auditing Services

TABLE OF CONTENTS

Advertisement.....3
General Instructions.....4-6
Special Instructions.....7-9
Proposal, Submission, Evaluation and Selection Process.....10-13
Scope of Work.....14-17



LAURENS COUNTY SOUTH CAROLINA

AUDITING SERVICES

Laurens County, South Carolina, solicits proposals from qualified Certified Public Accountants (CPA) to audit the County's financial and accounting system.

The audits will be for Fiscal Years ending June 30, 2023, and June 30, 2024, 2025, and 2026 respectively. The successful firm shall enter into a contract with Laurens County to perform audit services for fiscal year 2023 with an option retained by Laurens County to retain the audit firm for fiscal years 2024, 2025, and 2026. The audits must be performed in accordance with appropriate auditing standards and include audit procedures to ensure that appropriate laws and regulations have been complied with during the fiscal year.

Mandatory criteria for a qualified CPA firm are:

- Properly licensed in the state of South Carolina;
- Actively participated in the Certificate of Achievement of Excellence in the Financial Reporting program sponsored by the Government Finance Officers Association; and
- Participant in the AICPA Peer Review Program for Governmental Auditing.

RFP packages may be downloaded from our Website-<https://laurenscounty.us>. Proposals must be submitted by 5 p.m. April 30, 2023.



GENERAL INSTRUCTIONS

Purpose

The purpose of the Request for Proposal is to provide sufficient information for submission of a proposal (offer) for consideration by Laurens County to fulfill auditing services needs of the County as specified in the RFP. For ease of reference, Laurens County will be referred to as “the County”, “Buyer”, or “Purchaser” throughout the RFP. The Certified Public Accountant (CPA) firm submitting the proposal (offer) will be referred as “Proposer” or “Contractor”.

Laurens County is requesting proposals from qualified proposers to audit its basic financial statements for the fiscal year ending June 30, 2023, and for fiscal years June 30, 2024, 2025, and 2026. The audit is to be performed in accordance with generally accepted accounting standards, the standards set forth for financial audits in the General Accounting Office’s (GAO) *Government Auditing Standards* (1994), GASB No. 34, the provisions of the Federal Single Audit Act of 1984 (as amended in 1996) and the U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

There is no expressed or implied obligation for the County to reimburse responding proposers for any expenses incurred in preparing proposals in response to this request.

Submission of Proposal

The proposal is to be based upon compliance with all of the requirements of the RFP. Failure to do so may disqualify the proposer’s bid.

To be considered, the proposal shall include a letter of transmittal, which bears the signature of an authorized representative of the Offeror and designates by names not more than two individuals authorized to negotiate (if necessary) and bind the CPA firm to a contract on behalf of the Proposer.

The letter of transmittal may also briefly set forth any particular information the Proposer wishes to bring to the County’s attention.

To be considered, a master copy of the proposal and seven copies of the proposal must be sent to:

Renee W. Morrow
Finance Director
Laurens County
P. O. Drawer 1788
100 Hillcrest Square
Laurens, S. C. 29360



Please mark the envelope: PROPOSAL FOR AUDITING SERVICES

The proposal shall include:

- a. All detailed technical and qualification information and documentation requested in the RFP. Unless otherwise specifically requested, exorbitant promotional literature or voluminous proposals are not wanted and will not be considered as meeting any of the requirements of the RFP.
- b. If any are taken, an "EXCEPTION LIST" describing any and all exceptions, conditions and alternatives to the RFP requirements. Proposer must clearly indicate the affected portion and the exception taken.

Late Proposals

Any proposal received after the date and time established for receipt of proposals may be retained by the County, but the County has no obligation to either evaluate or return such delinquent proposal. The County reserves the right to postpone the time and date for submission of proposals at any time prior to the proposal deadline by giving written notice of such proposal.

Submission of a proposal shall constitute acknowledgement by the Proposer that it has thoroughly examined all documents, which are part of the RFP, including all addenda, which may be issued by the County during the proposal preparation period. No claim will be allowed by the Contractor contract award for additional compensation of additional time for completion of services, which is based on lack of knowledge or lack of understanding of any document.

Request for Proposal Number and Contract, Amendments, and Cancellations

The Proposer is invited to submit only one proposal (no alternate proposals) in accordance with all instructions in this solicitation.

Any contract resulting from this solicitation will be issued in the form of a purchase order (contract), which incorporates in their entirety, the successful Proposer's technical and price proposal, and any addenda, clarifications, discussions, or negotiations, which may have occurred prior to the award of the contract.

If the RFP is not amended by an addendum, then all provisions of the solicitation which are not amended remain unchanged. The Proposer shall acknowledge receipt of any amendment or addendum to the RFP by signing and returning it to the County by the date and time specified therein. If time is of the essence, addenda may be sent and returned by facsimile as determined by the County.



The Proposer is obligated to exercise due diligence to discover and to bring to the attention of the County, at the earliest possible time, any ambiguities, discrepancies, inconsistencies, in or between provisions or requirements mentioned on the solicitation.

The County reserves the right to cancel the solicitation (RFP) at any time during the procurement process when it determines that it is in the best interest of the County. Any contract resulting from the solicitation may be terminated in whole or in part when it is in the best interest of the County or because of failure of the Contractor to fulfill contract obligations. The rights and remedies of the County provided in this instruction are in addition to any other rights and remedies provided by law.



SPECIAL INSTRUCTIONS

Requests for Additional Information

Questions regarding the RFP should be directed in writing to the person and address as shown in General Instructions. Interpretation or revision of the RFP document will be made only by an addendum duly issued by the Finance Director. The County will not be responsible for explanations or interpretations of the RFP document, except as in accordance herewith. Only the Finance Director has the authority to provide interpretations or issue an addendum.

Proposals Considered “Firm”

All proposals in response to the RFP will be considered “firm” and cannot be withdrawn until 60 days after the scheduled due date and time.

Withdrawal of Proposals

Proposals may be withdrawn by written notice via email, Fax, or US Mail, that is received by the Finance Director any time prior to the proposal due date and time.

Proposal Development Costs

The County shall not be liable for any costs incurred by Proposers in preparing, submitting or presenting proposals, or in satisfying any demonstration or other requirements. The County shall not reimburse any costs incurred by the Proposers in anticipation of an award of a contract under this RFP.

Pricing and Payment

Prices awarded shall be firm and not subject to increase during the term of any contractual agreement unless provisions for such increase have been included in the contract.

Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after receipt of invoice or performance of services, whichever occurs last. However, this shall not affect offers of discounts for payment in less than 30 days.

Laurens County is not exempt from South Carolina state sales and use tax. If applicable, the proposal shall include all taxes and fees.

Also, it is required by Laurens City that a Business License be obtained once a contract is approved. A business license is not necessary to submit a proposal.



Funding and Approval

Funding for the auditing services has been allocated or is subject to approval by Laurens County Council. County Council shall also approve the source (successful Proposer) selected for the auditing services.

Execution of Contract

Upon acceptance of a proposal, the County shall prepare and submit a contract to the successful Proposer. Incorporated by reference into the contract shall be: (1) all of the information presented in or with this RFP and the Proposer's response thereto; and (2) all written communication between the County, its agents and the successful Proposer after the date of the RFP. These documents shall include, but not be limited to the following:

- Contract/Purchase Order (Highest Precedence)
- Correspondence relating to clarifications, discussions or negotiations
- RFP Contents and Addenda
- Proposal Amendment
- Proposal

Contractual Terms and Conditions

Contractual claims, whether for money or other relief shall be submitted in writing to the Finance Director prior to final payment; however, written notice of the Contractor's intention to file such claim shall be given at a time of occurrence or beginning of the work upon which the claim is based. The County shall issue a decision regarding such claim, in writing, no later than 60 days subsequent to notification to the Finance Director.

No Assignment

Assignment by the successful Proposer to any third party of any contract based on this RFP or any monies due shall be absolutely prohibited and will not be recognized by the County unless approved by the County in writing.

Indemnity

The Proposer shall indemnify and save harmless to Laurens County, its officials, and employees from all losses, claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recoverable against it or by any act or omission of the Proposer, his agent, or his employees, in the execution of the work or in consequence of any negligence or carelessness regarding the same.



The successful Proposer shall assume all risk and bear any loss or injury to property or persons providing services on Laurens County property occasioned by neglect or accident during the progress of the work until same shall be completed and accepted. The Proposer shall assume all blame or loss by reason of neglect or violation of any federal or state law, County or county code, or municipal ordinance, regulation or order. The Contractor shall give to the proper authorities all required notices relating to work, obtain all official permits and licenses, and pay all proper fees.

Confidentiality

Trade secrets or proprietary information submitted as part of the Offeror's proposal shall not be subject to public disclosure under the Freedom of Information Act; however, the Offeror must identify the data and materials to be protected and state reasons why the protection is necessary. General business information and pricing are not protected. Failure of the Offeror to take these steps shall make the firm's total proposal subject to public disclosure under the Freedom of Information Act.

The Proposer shall indemnify and hold Laurens County harmless against any loss or damage, including reasonable attorney fees, it may incur as a result of the County's reliance upon the proposer's representative that materials identified by the Proposer are trade secrets or proprietary information which is not subject to public disclosure.

Rights to Submitted Material

All proposals, responses, inquiries or correspondence relating to or in reference to the RFP, and all reports, charts, displays, schedules, exhibits, or other documentation submitted by Proposers shall become property of the County when received. The County retains the right to use any or all ideas presented in any proposal in response to the RFP, unless the material is clearly identified and supported as trade secrets or proprietary information which is not subject to public disclosure.

Proposals Not Selected

Non-selection of a proposal for contract award will mean that the proposal was not accepted. Proposers whose proposals are not accepted will be so notified. Such notification shall be devoid of any criticism of the proposal and of any implication that it was deficient.

News Release



Proposers shall at no time make any news or advertising releases pertaining to the RFP and resulting contract without prior approval by the County Administrator. Any requests for new releases must be made in writing to the County Administrator.

Nondiscrimination in Employment and Affirmative Action

If the contract resulting from the RFP exceeds \$10,000, the Contractor will comply with all applicable laws regarding nondiscrimination and affirmative action and will not discriminate against any employee because of race, religion, color, sex or national origin unless exempted by law.

PROPOSAL, SUBMISSION, EVALUATION AND SELECTION PROCESS

General selection of a qualified Certified Public Accountant (CPA) firm for municipal auditing services is an important and complex task. The County's selection committee will exercise both objective and subjective rationale in the selection process in order to select the most responsive and responsible Proposer. This process is outlined in the following subsections.

Award of a contract pursuant to this RFP will be made to the Proposer whose proposal is determined to satisfy the audit requirements and has the best overall benefit to the County, considering factors and price.

Important Information Regarding Proposal Format

While it is recognized that there are a variety of formats used by CPA firms in providing proposals, a fair evaluation of proposals requires that responses be consistent in format. Accordingly, the Proposer shall follow the format described in the following subsections.

IMPORTANT: It is recommended that the Proposers read the remaining RFP sections and attachments prior to reading the remainder of this section. The Scope of Work should be carefully reviewed by the Proposer.

The Proposer must submit an original plus seven (7) copies of their proposal.

Required Proposal Format and Contents:

In order to simplify the review process and obtain the maximum degree of comparison by the selection committee, proposals must be organized as follows:

1. Title Page. Show the RFP subject, the name of the Proposer's firm, address, telephone number, name of contract person and date.



2. Table of Contents. Include a clear identification of the material by section and by page number.
3. Letter of Transmittal.
 - a. Briefly state the Proposer's understanding of the work to be done, the objective of the engagement, the approach or methodology that will be taken and make a positive commitment to perform the work within the time quoted in the proposal.
 - b. State the all-inclusive fee (including all out-of-pocket expenses) for the audit and include a budget narrative itemizing your fee, travel expenses, lodging, etc. State your billing requirements and hourly rate for professional and administrative staff, if appropriate. State your per diem rate for additional presentations, if necessary.
 - c. State the names of the persons who will be authorized to represent the Proposer. Include their titles, addresses and telephone numbers.
 - d. State that the person signing the letter will be authorized to bind the Proposer.
4. Qualifications of the Firm
 - a. Give a description of the firm and its relevant prior experience, including the last three (3) engagements of this type and the dates completed.
 - b. Provide (3) references.
 - c. State whether the firm is local, national or international.
 - d. List staffing and project organization specifying those individuals who will actually work on the project.
 - e. Give a description of the credentials and the experience of the personnel assigned to the engagement.
 - f. State examples of similar work prepared for other clients.
 - g. State the proposed timing and length of engagement for the audit.
5. Mandatory Criteria
 - a. Affirm that the Proposer is a properly licensed certified public accounting firm in the state of South Carolina, or is a non-resident properly registered.



If a non-resident, affirm that the firm will become properly licensed prior to commencing to work.

- b. Affirm that the Proposer meets the independent standards of the AICPA and the South Carolina Board of Accounting.
 - c. Affirm that the Proposer is knowledgeable of the requirements for compliance for the Certificate of Achievement for Excellence in Financial Reporting from GFOA and has experience with this process.
6. Proposer's Approach to the Examination. Submit a work plan to accomplish the work defined under "Scope of Work" in this RFP. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named. The planned use of specialists should be specified. The following information should be included:
- a. Explain how you would propose to use County Personnel to assist you during the audit and indicate the approximate time requirement.
 - b. Describe your firm's personnel development program and your continuing education requirements.
 - c. Comment on your firm's ability and techniques in providing constructive suggestions for improving the County's internal accounting controls and administrative procedures.
 - d. Estimate the hours associated with your work plan. Also estimate the percentage of this work that will be performed in the interim.
 - e. Describe your firm's procedures for monitoring the progress of the audit and for communicating the same to the client while the audit is in progress.
7. Financial Audit.
- a. State whether the examination will be made in accordance with Generally Accepted Accounting Principles.
 - b. State that the primary purpose of the examination, unless it is otherwise intended, is to express an opinion on the individual, combining and combined financial statements, and that such an examination is subject to the inherent risks that errors or irregularities may not be detected. State that as conditions are discovered, which may lead to the belief that material errors, defalcations, or other irregularities may exist, or if any



other circumstances are encountered that require extended services the Auditor will promptly notify the Finance Director and the County Administrator. Finally, state that no extended services will be performed unless they are authorized in the contractual agreement or in an amendment to the agreement.

- c. State that in accordance with the auditing standards of the cognizant federal agency or in accordance with other applicable standards, the Proposer will select the necessary procedures to test compliance and to disclose noncompliance with specified laws, regulations and contracts.

8. Compensation. State the total hours and hourly rate required by staff classification and the resulting **all-inclusive maximum fee** including out-of-pocket expenses for which the represented work will be done. A separate all-inclusive fee must be stated for each of the four (4) years. Also, include your firm's rates for all applicable classifications of professional and administrative personnel. This information is requested since the County may request additional consulting services be provided. Describe the method you would use in charging for any special request, report (such as Single Audit, if required) or broadening the scope, i. e., how such a request would be handled, rates, etc. Project a maximum annual percentage of increase in rates, which can be expected for the next three (3) fiscal years.

9. Additional Data. Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The Proposer's general information publications, such as directories or client lists, should not be included. The County does not desire a voluminous proposal, but a quality proposal. The County does not desire an exorbitant proposal in terms of artwork, charts, graphs, etc. If there is no additional information to present, state, "There is no additional information we wish to present."

EVALUATION OF PROPOSALS: Evaluation Criteria

The selection committee will evaluate proposals promptly after the proposal due date. At its option, Laurens County may communicate with any or all Proposer's for the purpose of clarification of material presented in any part of the Proposer's proposals. In no way should such communication mean that contract discussions or negotiations are underway nor should it be interpreted that the Proposer is the most favorable. Proposers are cautioned that this practice is optional; therefore, all proposals should be complete, comprehensive and concise and should reflect each Proposer's most favorable terms, including price.



Contract Award

The County may reject any and all offers or waive minor informalities and irregularities in the offers received.

The County may award a contract to the most responsive and responsible Offeror whose proposal, conforming to the RFP, will be the most advantageous to the County, considering all evaluation factors and price. Although price is important, it is not the most important factor.

The objective of the contract is to obtain high-quality audit and consulting services at a reasonable fee.

The intent of the County is to award a contract and this will be accomplished on the basis of its sole judgment based upon the quality of proposals received. Contract award may be to other than the lowest price offer.

SCOPE OF WORK for FISCAL YEAR 2022-2023

Contract Period

The Contract for Auditing Services will be for one-year base period-fiscal year 2022-2023. The contract will also include an option to renew contract for three (3) additional periods-fiscal years 2023-2024, 2024-2025, and 2025-2026. The Scope of Work includes requirements for conducting the audit and reporting on the comprehensive annual financial report and financial advice and consultation on matters throughout the year that would significantly affect the Annual Report and/or compliance with the new or changes in accounting procedures.

- a. Single Audits. Single Audits, when necessary, will cover all funds and account groups of the Laurens County and will be conducted in accordance with Generally Accepted Accounting Principles as adopted by the Governmental Accounting Standards Board (GASB). The examination will conform with the local government auditing standards specified by AICPA in its Industry Guide entitled "Audit of State and Local Government Units" as amended. With respect to state and federal grants received by the County, the examination shall be made in compliance with the laws of the State of South Carolina and the requirements of all granting agencies
- b. Comprehensive Annual Financial Reports. The County expects the selected auditing firm to issue an opinion on the individual, combining and combined County's financial statements. The County also expects the contractor to audit source documents leading to the financial



statements and prepare the Statement of Cash Flows; Combined Balance Sheet; Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types; Combined Statement of Revenues, Expenditures and Changes in Fund Balance – All Proprietary Fund Types and Similar Trust Funds; and Combined Statements in Financial Position - All Proprietary Fund Types and Similar Trust Funds of the Laurens County and its combining and individual fund financial statements, The County also expects the proposer to prepare notes to the financial statements, assist client with disclosure requirements, and prepare supplemental schedules as required. The County expects the Auditor will provide the County technical advice and recommendations as to current statement requirements and the County's compliance with such.

- c. Accounting Services. Assist with GASB conversions and continuing compliance during the engagement period. This includes advising the County as needed in the preparation of the Introductory Section, the Financial Section's Management Discussion and Analysis, and the Statistical Section.
- d. Assistance / information required from the Laurens County
- e. Project schedule. Please indicate the time required for each portion of the project as well as the amount of staff involvement required for each phase of the project. The Proposer should also indicate when a final draft audit document will be ready for review and when the final audit document will be completed for each project year.
- f. Bond Related Services. The fees will be separately negotiated with the firm selected to conduct the annual audit work.
- g. In addition to the normal performance of providing a complete financial and compliance audit, the Auditor shall provide the opening entries for each fiscal year after completion of the audit, shall work with the County Administrator, Finance Director, and staff to provide assistance as needed to correct audit findings or to satisfy the auditor's recommendations, and shall be available to provide ongoing assistance needed by the Finance Director and staff to assure proper accounting methods are being followed. The additional technical support services stated herein shall not exceed eight man-hours per fiscal year audited and shall be included as part of the all-inclusive fee stated on the Proposal.



Assistance Available to Auditor by Laurens County Staff

Laurens County staff will provide the following schedules and/or assistance:

1. Prepare confirmation letters for bank accounts, receivables, payables, etc.
2. Reconciliation of all balance sheet accounts to supporting detail, including Cash and Investments, Utility Receivables, Miscellaneous Receivables, Trade Payables, Interfund Transfers / Payables, Bond Payables, etc.
3. Detailed schedule of Operating Expenses
4. Schedule of Debt Service Coverage
5. Fixed Asset schedules, including additions, deletions, depreciation schedules and a summary report to be utilized for the Audit Report.
6. Detailed schedules of all year-end inventories.
7. Transaction listings will be provided for all accounts requested.
8. The staff will be available to pull cancelled checks, voucher packages and other documents as required.
9. Unaudited Financial Information
10. The Finance staff will serve as a liaison for gathering information from other departments, such as Public Works, Sheriff's Offices, Courts and other offices in the various Departments of Laurens County.

The auditor should identify other assistance required by the Laurens County staff.

Contract Deliverables (Reports and Presentations)

Products required from the Contractor include, but are not limited to:

- a. Draft report. Prior to submission of the completed audit report, the Contractor's Staff will be required to review a draft of the proposed audit report(s) with the County Administrator and the Finance Director. Additional staff, including a County Council Audit Committee may also be included if applicable.
- b. Final Audit Document. The final report is expected to meet the established criteria for GFOA guidelines and/or for award of GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Contractor must provide one (1) unbound copy, and one Adobe-Acrobat version (with opinion letter included to be posted on our web-site, if County so desires) of the Audit Document to:

Finance Director
Laurens County
P. O. Drawer 1788
100 Hillcrest Square
Laurens, S. C. 29360



- c. Working Papers. Opinions, notes and working papers supporting the examination are essential and shall be preserved and maintained for a period of at least (3) three years. Furthermore, the working papers must be readily available for examination by authorized representatives of the cognizant federal agency and the Laurens County. Additionally, the Contractor must make all working papers physically available at the audit site without charge to the auditor who audits the subsequent year.
- d. Draft Management Letter. As with the draft audit report, Management Letter items must be discussed with the County Administrator and Finance Director. See the paragraph below regarding the essentials of the Management Letter.
- e. Management Letter. A Management Letter prepared by the Auditor in letter form to include findings, observations, opinions, comments or recommendations with regard to systems of internal control, accounting systems, compliance with federal, state, and local laws, rules and regulations or any other material that may come to the attention of the Auditor during the course of the examination. Such findings, observations, opinions, comments, or recommendations shall not be construed as special or additional studies, but shall be limited to those usually associated with such an examination. The Management Letter shall be submitted within 120 days from the close of the County's fiscal year on June 30. The letter report must also include specific statements indicating whether conditions noted in prior auditor's comments have been corrected or still exist.
- f. Report Presentation to County Council. The auditing firm shall be required to present the final Audit Document to the County Council. The Audit will be presented at a regularly scheduled Council meeting which is held on the first Monday evening of the month.
- g. Other Miscellaneous Products and Reports. When auditing consulting services are ordered, reporting requirements will be determined based upon nature of service rendered.

SCOPE OF WORK for FISCAL YEAR 2023-2024, 2024-2025, 2025-2026

Contract Period

The contract will also include an option to renew the contract for three (3) additional periods-fiscal years 2023-2024, 2024-2025 and 2025-2026. The County's intent to exercise an option year will be provided by written communication to the Contractor not later than 60 days prior to the start date of that option period. The Scope of Work includes requirements for conducting the audit and reporting on the comprehensive



annual financial report and financial advice and consultation on matters throughout the year that would significantly affect the Annual Report and/or compliance with the new or changes in accounting procedures. The Scope of Work for these three (3) additional years shall be the same as 2022-2023

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We look forward to reviewing your response.

Sincerely,

Renee W. Morrow
Finance Director