

RFP19-02

REQUEST FOR PROPOSALS



FINANCIAL AUDIT SERVICES

April 8, 2019

**Town of Pine Ridge
2757 Fish Hatchery Road
West Columbia, SC 29172
(803)755-2500
(803)955-0605 fax
www.townofpineridgesc.com**

TOWN OF PINE RIDGE
REQUEST FOR PROPOSALS
FINANCIAL AUDIT SERVICES

The Town of Pine Ridge (the Town) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the for fiscal year ending June 30, 2019, with the option of auditing its financial statements for each of the three (3) subsequent years. The audit is to be performed in accordance with generally accepted auditing standards, and all federal and state laws.

Potential auditing firms should note that the Town's fiscal year is from July 1 - June 30.

PROPOSALS ARE DUE BY 5:00 PM, FRIDAY, MAY 31, 2019.

Subject to the conditions, provisions and the enclosed specifications, proposals with "RFP19-02" clearly marked on envelope, will be received at this office until the stated date and time and then presented to Council on June 11, 2019, at 6:30pm. Any proposal received after the scheduled deadline, will be immediately disqualified. The Town assumes no responsibility for delivery of proposals which are mailed.

- There is no expressed or implied obligation for the Town to reimburse responding vendors for any expenses incurred in preparing proposals in response to this request.
- The Town of Pine Ridge reserves the right to accept or reject any/or all proposals, to waive irregularities and technicalities, and to request resubmission.
- Proposals must be submitted on *EXHIBIT D*, completed in ink or typed and signed by an authorized representative.
- Request for proposals may be canceled by notice at any time prior to the opening of proposals.
- The determination of award for more than \$5,000 to the low responsible vendor shall be made by council after receiving the recommendation of the Finance Committee.
- A tie proposal shall be awarded to the Proposer selected by a majority vote of council.
- Any actual or prospective Proposer who is aggrieved in connection with the solicitation or award of a contract may protest to the Town Council. A protest with respect to this Request for Proposal shall be submitted in writing prior to the scheduled opening date of this proposal, unless the aggrieved person did not know and could not have been reasonably expected to have knowledge of the facts giving rise to such protest prior to the scheduled opening date of this proposal. The protest shall be submitted within seven calendar days after such aggrieved person knows or could have reasonably been expected to know of the facts giving rise thereto.
- If awarded, the Proposer will be required to purchase a Business License with the Town of Pine Ridge.
- The Town of Pine Ridge reserves the right to terminate this agreement for nonconformance with RFP19-02 requirements.
- The Town does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or in the provision of goods and services.

1.0 SPECIAL INSTRUCTIONS:

1.1 Purpose of RFP

This request solicits proposals to provide the Town of Pine Ridge, South Carolina, hereinafter referred to as "the Town", auditing services from qualified Certified Public Accounting Firms to provide independent audit services for Fiscal Year Ending June 30, 2019, with options for annual renewals in 2020, 2021, and 2022. This will include an annual Statement of Fines, Assessments & Surcharges for the Victim Services Fund. The audit is to be performed in accordance with the provisions contained in the request for proposal.

It is the Town's intent to select the most qualified proposer based on an evaluation of the proposals utilizing the following selection criteria:

- Responsiveness of the proposal, in clearly stating the understanding of the work to be performed
- Depth of the firm's governmental auditing experience
- Qualifications and experience of the proposed audit team assigned to the Town
- Firm size and organizational structure
- Cost of Services

1.2 Information about the Town of Pine Ridge

The Town of Pine Ridge is located in the Midlands region of South Carolina. The town is located in the southeastern portion of Lexington County, with the central location at the junction of S32-73 (Fish Hatchery Road) and S32-103 (Pine Ridge Drive). The Town encompasses approximately 4.5 square miles and according to the 2010 Census has a population of 2,064 citizens. The general fund budget for FY 2018-2019 was adopted at \$795 thousand.

2.0 ADMINISTRATIVE INFORMATION:

2.1 Inquiries

All inquiries for information regarding procurement procedures, selection criteria, proposal submission requirements, technical operating environment, or other fiscal/administrative concerns should be made in writing and shall be directed to:

Viki Miller, Town Administrator
Town of Pine Ridge
2757 Fish Hatchery Road
West Columbia, SC 29172
(803)755-2500
vmiller@townofpineridgesc.com

2.2 RFP Specifications

This RFP is intended to describe the Town's requirements and provide a response format in sufficient detail to secure comparable proposals.

2.3 Implied Requirements

All products and services not specifically mentioned in this RFP, but which are necessary to provide the functional capabilities described by the vendor, must be included in the proposal.

2.4 Vendor-Supplied Materials

Any material submitted by a vendor shall become the property of the Town unless otherwise requested at the time of submission. Any material considered confidential in nature must be so marked.

2.5 Vendor's Proposals

Vendors must submit a response to this RFP in writing. The vendor's proposal must follow the format provided in Section 3 of this document. Any proposals that do not follow the format outlined in this RFP will be deemed non-responsive. Each proposal must be submitted with one (1) original and five (5) hard copies and one (1) digital copy.

2.6 Economy of Preparation

Proposals should be prepared simply and economically. Emphasis should be placed on clarity and content. All of the questions in the requirements sections of this RFP must be completed in their entirety. Any proposal that fails to respond to all the evaluation points will be deemed non-responsive.

2.7 Response Date

Proposals to be considered must arrive at Town Hall by **5PM on Friday, May 31, 2019**. Any proposal received after the scheduled deadline, will be immediately disqualified. The Town assumes no responsibility for delivery of proposals which are mailed.

2.8 Vendor Selection

The Finance Committee will give their recommendation and Council will vote on the successful vendor during the regularly scheduled Council meeting on **Tuesday, June 11th at 6:30PM**.

3.0

RFP REQUIREMENTS AND GENERAL INFORMATION:

3.1 **General Information**

The Town of Pine Ridge, South Carolina, operates under a Council form of government and provides public services including law enforcement, municipal court, codes, business licensing, planning, zoning, stormwater and floodplain administration. The Town's accounting system is on a network server and uses the Sage 50 financial accounting software program.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting.

3.2 **MANDATORY Criteria:**

Provide a statement affirming each of the following requirements:

1. Licensed CPA firm: Affirm that the vendor is a properly licensed certified public accounting firm for the State of South Carolina.
2. Independence Standards: Affirm that the vendor meets the independence standard promulgated in the General Accounting Office's *Government Auditing Standards*; and the independence standards of the South Carolina State Board of Accountancy.

3.3 **Scope of Audit**

The funds and component units to be audited are those listed in *EXHIBIT A* of this proposal. The Town shall have closed and balanced all accounts for all funds to be examined by the auditor by, on or around September 1st of each year. Audit preparation lists should be provided to the Town no later than August 15th.

The primary requirement will be an examination and expressed opinion in accordance with generally accepted auditing standards, of the financial statements of the Town of Pine Ridge for the Fiscal Year Ending June 30, 2019, with options for annual renewals in 2020, 2021, and 2022.

Additionally, SC Code of Laws Section 14-1-208(E) requires that the annual audit include a review of accounting controls over court assessments and further requires the Town to include, in its audited financial statements, a supplementary schedule detailing the disposition of court assessments and amounts required to be used for victim services activities. The Uniform Supplemental Schedule Form developed by the Office of Attorney General, South Carolina Crime Victim Services Division, must be used to report crime victim services funds and must include the elements listed in SC Code of Laws 14-1-2018E(1)a-f. The law requires that the schedule be included in the external auditor's report as required by generally accepted auditing standards when information accompanies the basic financial statements in auditor-submitted documents.

The Town prepares its budgets on a basis consistent with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting authority for governmental accounting and financial reporting principles in the United States of America. All applicable GASB statements have been implemented.

The auditors shall observe the adequacy of the financial policies, accounting systems and system of internal controls. If weaknesses are noted, appropriate recommendations should first be reviewed with the Town Administrator and included in a separate management letter to Town Council.

The auditors will also provide guidance and support to town staff in the implementation of proper accounting procedures and keep town staff informed of newly issued applicable accounting pronouncements.

The vendor selected will also be asked to prepare the calendar year-end services for an additional fee:

- Employer's Quarterly Federal Tax Return (941) – October, November, December
- SC Withholding & Annual Reconciliation Return (WH-1606) – October, November, December
- Employer Quarterly Contribution & Wage Reports (UCE-120A) – October, November, December
- 2019 W-2 Employee Wage & Tax Statement: Employee
- 2019 W-2 Employee Wage & Tax Statement: Employer
- SC DOR Transmittal form for W2s or 1099s (WH-1612)
- 2019 W-3 Transmittal of Wage & Tax Statements

3.4 Auditing Standards

The audit and all submitted reports shall be made in accordance with the most recent standards available, including the following:

- Generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants (AICPA) including the AICPA's Industry Audit Guide, Audits of State and Local Governmental Units;
- Standards for financial audits as set forth in the U.S. Government Accountability Office's Government Auditing Standards (2003), known as the Yellow Book;
- Rules of the South Carolina State Auditor;
- Reporting requirements established by the Governmental Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program; and
- Any other applicable Federal, State, Local Regulations or Professional Guidance not specifically listed above.

3.5 Completion of Work

The auditors must complete all audit work and provide a "Draft" Audit Report to the Town on or before **October 15th**. The Town requests that audit work be performed at minimum one (1) full concurrent work week in the field and with at minimum an audit senior and staff to ensure limited external communication of open items and consistent understanding of financial matters. A Final Audit Report shall be provided on or before **November 1st**. The auditor(s) will be required to present the audit report to Town Council at the regularly scheduled November Council Meeting.

3.6 Information to be Requested from the Vendor

In order to get a uniform review process and to obtain the maximum degree of comparability, it is required that proposals be organized in the manner specified.

1. Title Page

Show the RFP subject, the name of the vendor's firm, local address, telephone number, name of the contact person and the date.

2. Table of Contents

Include a clear identification of the material by section and by page number.

3. Letter of Transmittal

Limit to one or two pages.

Briefly state the vendor's understanding of the work to be done and make a positive commitment to perform the work within the time period. Give the names of the persons who will be authorized to make representation for the vendor, their titles and telephone numbers.

4. Profile of the Vendor

State whether the firm is local, national or international. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.

Describe the range of activities performed by the local office such as audit, accounting, tax service, or management services.

5. Summary of the Vendor's Qualifications (in addition to minimum qualification)

Identify the key professional members who will be assigned to the audit.

Indicate whether each person is registered or licensed to practice as a certified public accountant in South Carolina. Provide information on the government auditing experience of each person.

Provide the vendor's system of quality control to ensure the audit is adequately performed.

6. Executed copies of Vendor Guarantees and Vendor Warranties, attached to this request for proposal (*EXHIBIT B and EXHIBIT C*)

7. Fee Schedule
The vendor shall submit the dollar cost bid, detailed in the format provided in *EXHIBIT D*.

EXHIBIT A

Major Governmental Funds

- General Fund

Non-Major Governmental Funds Special Revenue Funds

- Victims' Assistance Fund

Account Groups

- General Fixed Assets

Other Information

- Checking Accounts: 1
- Other Cash Deposit Accounts: 5
- Number of Accounts Payable Checks for FY 2018: 424

Payroll

- Number of Town Employees (FTEs): 5 (PTEs):4
- Mayor and Council: 5
- Number of Town Payroll Checks for FY 2018: 206

Frequency of Payroll

- Staff: bi-weekly
- Council: quarterly

EXHIBIT B

The vendor certifies it can will provide and make available, as a minimum, all services set forth in Section 3, RFP Requirements & General Information.

Signature of Official: _____

Name (printed): _____

Title: _____

Firm: _____

Date: _____

EXHIBIT C

- A. Vendor warrants it is willing and able to comply with the State of South Carolina laws with respect to foreign (non-state of South Carolina) corporations.
- B. Vendor warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Vendor warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town of Pine Ridge.
- D. Vendor warrants that it will maintain worker’s compensation coverage on all staff working on the audit.
- E. Vendor warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (printed): _____

Title: _____

Firm: _____

Date: _____

EXHIBIT D
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT
OF FINANCIAL STATEMENTS

	<u>Hours</u>	<u>Standard Hourly Rate</u>	<u>Quoted Hourly Rate</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other(specify)	_____	_____	_____	_____
Subtotal				_____
Out of pocket expenses				_____
Meals & lodging				_____
Transportation				_____
Other(specify)				_____
Total all-inclusive maximum cost for the audit				_____

	Fiscal Year-End Audit	Calendar Year-End Reports
2019		
2020		
2021		
2022		

Comments:

REFERENCES

Government Entity	Contact Person	Phone Number	Years of Engagement
1.			
2.			
3.			

Signature

Title

Date