



March 9, 2021

County of Newberry

Purchasing Department
Request for Qualifications # 2021-06

AUDITING SERVICES

A. GENERAL REQUIREMENTS

- Contact :

Crystal Waldrop, CPPB
Newberry County Procurement Department
PO Box 156
1309 College Street
Newberry, S.C. 29108
E-mail: cwaldrop@newberrycounty.net
Phone: (803) 321-1420

- Submittals will be received at:

Newberry County Courthouse Annex Conference Room
1309 College Street
Newberry, S.C. 29108

- Submittals are due **April 13, 2021, no later than 3:00 PM**. Submittals received after this time will be marked “LATE” and will not be considered.
- No faxed or e-mailed responses will be accepted.
- It is the intent of the County to award a three-year contract with the option to renew for two additional one-year terms for these services. Any renewal(s) shall be reviewed and approved by the Newberry County Council and must be confirmed in writing between the parties.
- Newberry County will evaluate all qualifying responses. All requirements in this RFQ should be satisfied to ensure that responses will qualify for consideration. Newberry County desires to receive responses from vendors who can demonstrate the specified qualifications set forth in this RFQ. The failure of any submitting firm to demonstrate that its qualifications are consistent with the County’s requirements and expectations will result in that firm’s response being disqualified.
- The County shall not be liable for any expense incurred in connection with preparation of a response to this solicitation. Vendors should prepare a straightforward and concise description of their ability to meet the requirements of this document.
- All requested information shall be provided in order for consideration as a responsive submittal. However, any firm submitting information that is determined

to be substantially inaccurate, misleading, exaggerated, or incorrect, shall, at the County's sole discretion, be disqualified from consideration.

- All firms responding to the RFQ should be available for presentations and/or interviews within two (2) weeks following the submittal due date. The top ranked firms will be notified of the scheduled times of their respective presentations to the Evaluation Committee. The auditor who will be handling the account for Newberry County and key individuals, shall be present for interviews. Telephone interviews may be considered in lieu of a face-to-face interview. Upon award of a contract by the County, any key staff substitutions must be approved by the County.
- This request is NOT a Bid; therefore, any alternate solutions that meet or EXCEED the outlined minimum requirements should be submitted for consideration. Newberry County is interested in any details of other innovative and original ideas above and beyond those discussed in this Request for Qualifications.
- Addenda to this RFQ will be posted on the Newberry County Procurement Department's website (www.newberrycounty.net). PLEASE NOTE THAT THE VENDOR IS ULTIMATELY RESPONSIBLE FOR VERIFYING ITS RECEIPT OF ANY AND ALL ADDENDA PRIOR TO THE SUBMITTAL DEADLINE.
- Feel free to contact Crystal Waldrop via email at cwaldrop@newberrycounty.net if any questions arise. No interpretations or clarifications of the meaning of the instructions or Scope of Services will be made orally (except for general information). Every request for such interpretation shall be in writing, addressed to Crystal Waldrop, Procurement and in order to be given consideration must be received at least seven days prior to the advertised date of opening. Any and all such interpretations and any supplemental instructions will be provided in the form of written addenda and will become supplemental to this Request for Qualifications.

Crystal Waldrop, CPPB
Purchasing Director

B. INTRODUCTION

The Newberry County Finance Department and the Newberry County Treasurer's Office are requesting statements of qualifications from certified public accounting firms licensed in the State of South Carolina to perform auditing services. The chosen firm will provide a certified opinion of an audited annual financial statement to the County Council. It is intended that these services will identify opportunities for improving the County's financial controls and operating procedures and that they be performed in accordance with internal audit objectives approved by the Newberry County Council and the County Council Finance Committee.

The firm will work with Newberry County personnel to identify opportunities for improved controls and operations in each area audited. Recommendations identified by the internal audit staff should be designed to support and improve the government's financial goals, organizational structure, operating environment, and management style.

Newberry County's annual budget for the 2020-2021 fiscal year is: \$26,661,566.

C. SCOPE OF WORK

Each firm responding to this solicitation shall demonstrate its experience in performing audits of local governments in every aspect. Consideration will be given to the following:

- Experience with local governmental accounting
- Experience of local engagement team
- Experience of the firm and local engagement team in working with local governments
- Experience with auditing in a local government setting

The County expects the internal audit firm not to exceed forty (40) hours per month in aggregate billable hours over a twelve-month period.

An internal audit work plan should be developed to conduct audits for management that assess effectiveness of controls, accuracy of financial records, and efficiency of operations. Each targeted audit area should specify the procedures to be performed, as well as an estimated time of completion.

The following duties shall be incorporated into the firm's work plan:

- Conduct periodic confirmations of cash balances, petty cash accounts, and investment balances; examine and test bank reconciliations, and confirm proper collateralization of investments in all funds/departments.
- Analyze data obtained for evidence of deficiencies in controls, duplicated efforts, extravagant spending, fraud, or lack of compliance with laws, government regulations and management policies or procedures.
- Audit records of departments and interview workers to ensure the proper recording of transactions and compliance with applicable laws and regulations.
- Examine department activities for compliance with management plans and policies.
- Inspect accounting systems to determine their efficiency and protective value.
- Review records pertaining to staff and material assets, such as equipment and buildings, to determine the degrees to which they are utilized.
- Conduct special studies for Department Heads and Elected Officials of the County, such as those required to discover mechanics of detected fraud and to develop controls for fraud prevention.
- Review other areas as deemed necessary or as requested by the County Council, Council Finance Committee, or senior finance staff.

D. MADATORY REQUIREMENTS FOR SUBMITTALS

The following items require a response from your firm. If a response is not received then your submittal may be automatically disqualified and may not be considered. Please follow the format below for your submittal's response.

Newberry County requires that submittals be easily understood. Include all information requested, but do not include unnecessary or extraneous information. Responses to the following requirements should be concise, and

all reasonable care should be taken to limit submittals to pertinent information. All additional company/marketing information is welcome and should be presented as attachments to the core response.

Section I – Executive Summary

This section should include a brief overview of the key elements of your submittal. Highlight any features or areas that differentiate your services from competitors.

Section II – Corporate Profile

This section should include a brief overview and history of your company. Provide information that best illustrates your company's qualifications for completing the work, as well as the experience and qualifications of the key personnel who would be involved, in relation to the tasks that are proposed to be undertaken.

Section III – Cost Information

The submittal shall provide a not-to-exceed fee and expense amount for the audit scope identified in this request. Total hours and average rate per hour should be provided to support the fees. Additional billable hours for the Treasurer's annual report to the State of SC and other hourly rates for personnel relevant to this scope of work.

Section IV – Additional Information

1. Provide a brief description of your firm's governmental auditing experience emphasizing work with local governments.
2. Describe the specific audit techniques to be applied, particularly as to their appropriateness and quality. Explain how you will comply with the applicable specifications required in this request.
3. Supply client references, including the names, titles, and contact information for the last five (5) engagements, specifically for partners and other senior audit team members who would serve the County. Please provide names, street address, telephone numbers, and email addresses for all client-entities' contacts.
4. A. Describe your firm's professional development program, including the approximate number of days of continuing professional education provided annually to staff members of your firm.

- B. Describe any specialized training in local government auditing and accounting received during the last three (3) years by the personnel who would be assigned to this contract; specifically describe any training involving internal auditing.
5. Specify the experience, responsibility, and level of commitment for each proposed engagement-team member.
6. Describe the capabilities your firm has in regard to providing management advisory services. List experience with counties similar in size to Newberry County.
7. Describe and enumerate your firm's capability and experience in providing additional services that may be required.
8. Supply at least one (1) sample report of an internal audit performed from a county of similar size.
9. Provide a list of your firm's open litigation, describing the nature and amount of each lawsuit for which your firm is a named defendant.

E. TERMS AND CONDITIONS

Section I – General Requirements

1. Newberry County reserves the right to accept or reject any submittal, to decide not to award a contract, or to negotiate changes in the proposal submitted by the selected firm.
2. The County reserves the right to award the contract to the next qualified firm if the successful firm does not begin contracted services within the prescribed days stated in the contract.
3. There is no expressed or implied obligation for Newberry County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Nor does this solicitation commit Newberry County to award a contract or to procure any services that may be offered by means of a submission to this request.
4. At its own expense, the contracted firm will correct any and all errors and omissions it might make.
5. Any exceptions to terms, conditions, or other requirements in any part of this RFQ must be clearly pointed out in the offeror's submittal. Otherwise, the County will consider that all items offered are in strict

compliance with this RFQ, and the successful proposer will be responsible for compliance.

6. The selected firm shall take all steps necessary to safeguard any data, files, reports, or other information from loss, destruction or erasure. Any costs or expenses related to replacement, or to damages resulting from the loss of such data shall be borne by the firm when such loss or damage occurs through its negligence.
7. The selected firm shall be required, before awarding of contract, to demonstrate to the complete satisfaction of the County that they have the necessary resources to execute the work in a satisfactory manner and within the time specified; that they have had experience of a same or similar nature; that they have a past history and references which will assure the owner of the firm's qualifications for executing the work.
8. Upon receipt of this RFQ by potential firms, contact with any elected or appointed official, authority or board member, or employee of Newberry County, other than the contact listed, initiated by a firm representative to promote the firm's selection may result in disqualification. Timely information to all interested parties with regard to progress in the selection process and its results will be provided.
9. The firm shall provide all equipment required in the performance of this contract as set forth.
10. The selected firm will not discriminate against any person in accordance with Federal and State laws and regulations.
11. Sub-contracting of an awarded contract will not be permitted in part or whole, under any circumstances.
12. All working papers and reports must be retained at the firm's expense for a minimum of five (5) years, unless the firm is notified in writing by the Newberry County Administrator's Office of the need to extend the retention period. The firm will be required to make working papers available, upon request, at no charge. In addition, the firm shall respond to all reasonable inquiries of successor firms and allow successor firms to review working papers relating to matters of continuing accounting significance.
13. In case of default by the firm, the Newberry County Council reserves the right to purchase the services in default in the open market, charging the firm with any additional costs.

14. Newberry County reserves the right to terminate the contract at any time, with 30 days prior written notice, if not satisfied with the quality of service provided or if the Proposer fails to fulfill any of the conditions of this RFQ.
15. Following award of contract, the firm must coordinate all activities with the County Finance Director, the County Deputy Administrator, and the County Treasurer.
16. In the event that proposer does not provide the minimum number of hours as addressed in this solicitation, a reduction in the fee shall be made by multiplying the hours short by the average rate per hour. The County Administrator or his designee must approve any hours, in excess of the minimum, in writing. Any approved excess hours would thus be paid based on the average rate per hour as well. Travel will be reimbursed in accordance with Newberry County's travel and training policies.
17. All firms are hereby placed on formal notice that neither the County Council, nor any employees from Newberry County Government, nor any members of the Qualifications Review Committee are to be contacted either individually or collectively concerning this project. Firms and their agents who intend to or have submitted qualifications for this project are hereby placed on formal notice that they are not to contact members of the County Council, candidates for County Council, or staff members outside regular County Council meetings relating to the selection process, or other meetings specifically scheduled for negotiations. Dinners, lunches, or any other actions that may be interpreted as contrary to these instructions may result in an immediate disqualification of such firm by the County from further consideration for this project.
18. Indemnity: The Contractor shall indemnify and save harmless Newberry County, its officers, agents, and employees from and against all losses, costs, damages, expenses, and liabilities caused by an accident or other occurrence resulting in bodily injury, including death, sickness and disease to any person(s); and against all damage or destruction to property, real or personal, arising directly or indirectly from the work performed by the consultant, its subcontractors, or employees.

Section II – Insurance Requirements

The coverages must be as follows:

Worker's Compensation	Statutory
General Liability	\$1,000,000 per occurrence

- Including bodily injury, property damage and contractual liability

Automobile liability \$1,000,000 per occurrence

- Including bodily injury and property damage

Errors and Omissions Insurance Coverage/Professional Liability

\$1,000,000 per occurrence

The Certificate of Insurance must list Newberry County, SC as the Certificate Holder as well as AN ADDITIONAL INSURED.

F. PROCEDURES FOR SUBMITTING STATEMENTS OF QUALIFICATIONS

- Questions about the responses will be directed to:

Mailing Address: Crystal Waldrop, CPPB
Purchasing Director
Newberry County Courthouse Annex
Post Office Box 156
Newberry, SC 29108

E-mail: cwaldrop@newberrycounty.net
Phone: 803-321-1420

The deadline for questions is March 30, 2021 by 5:00 p.m.

- Submittals shall arrive at the above listed address no later than **April 13, 2021, at 3:00 p.m.** to be considered. It is the sole responsibility of proposers to ensure timely arrival of any submittal. Responses received after this time will be unopened and marked **LATE** and returned unopened.
- Three (3) copies and one (1) original of the submitted proposal shall be furnished on or before the deadline.
- Responses will be retained as property of Newberry County.
- Responses should generally be less than 20 pages total and shall outline the tasks mentioned.
- Responses shall contain an original manual signature of an authorized representative of the responding firm.
- Newberry County is not liable for any costs incurred by proposers prior to the execution of a contract.
- The contents of the Proposal of the successful firm may become part of any subsequent contractual obligation.
- Any questions concerning this Request for Qualifications will be directed to Crystal Waldrop, at cwaldrop@newberrycounty.net
- No interpretation or clarification of the meaning of the instructions or Scope of Services will be made orally (except for general information). Every request for such interpretation should be in writing, addressed to Crystal Waldrop. In order to be given consideration must be received at least seven days prior to the advertised date of opening. Any and all such interpretations and any supplemental instructions will be provided in the form of written addenda and will become supplemental to this solicitation.

G. SELECTION PROCESS

1. General

The Evaluation Committee, which is comprised of representatives from the Treasurer’s Office, Finance Department, and the Procurement Department, will evaluate all qualifying submittals. All requirements of this RFQ shall be satisfied to ensure that the response will qualify for consideration. Newberry County desires to receive submittals only from firms who can demonstrate the specified qualifications mentioned in this solicitation.

2. References

Current and previous clients of each firm that submits a response may be approached with specific questions regarding performance. Responses to these questions will be used as part of the evaluation process.

3. Proposal Evaluation Criteria

The criteria outlined below and described further hereinafter will be used to evaluate the RFQs. The evaluation is based on a total maximum score of 100, with the following point breakdown per category.

<u>REQUIREMENTS</u>	<u>POINTS</u>
A. Qualifications of staff (CPA, Audit Certified, GASB, etc)	25
B. Relevant Experience (Staff and Firm)	25
C. References (Last 5 Engagements)	20
D. Quality of Proposal	10
E. Costs Associated with Services	20
Total Points	100

4. Final Selection

The Evaluation Committee will present their recommendation to the appropriate oversight committee for review and recommendation. The County Council will make the final decision. The County may conduct face to face or telephone interviews in the final selection process.