



September 10, 2009

County of Newberry

Purchasing Department  
Request for Proposal # 2009-017

**INTERNAL AUDITING SERVICES**

**Proposals are due October 1, 2009 no later than 3:00 PM, Local Time**

**Note: Upon receipt of this package, please forward your contact information to Crystal Waldrop via email at [cwaldrop@newberrycounty.net](mailto:cwaldrop@newberrycounty.net) to ensure receipt of any Addenda.**

**PLEASE NOTE THE VENDOR IS ULTIMATELY RESPONSIBLE FOR VERIFYING THEY HAVE RECEIVED ANY/ALL ADDENDA PRIOR TO THE PROPOSAL OPENING.**

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A. GENERAL REQUIREMENTS

- Specifications, requirements, and inquiry answers may be obtained from the following contact:

Crystal Waldrop, CPPB  
Newberry County Procurement Department  
1309 College Street  
Newberry, S.C. 29108  
E-mail: [cwaldrop@newberrycounty.net](mailto:cwaldrop@newberrycounty.net)  
Phone: (803) 321-2100

- Proposals will be received at:

Newberry County Courthouse Annex  
Procurement Department  
Post Office Box 156  
1309 College Street  
Newberry, S.C. 29108

- Proposals are due **October 1, 2009, no later than 3:00 PM**. Proposals received after this time will be marked “**LATE**” and will not be considered.
- Newberry County reserves the right to reject any or all proposals. Any objections to the specifications/requirements as set forth should be filed in writing prior to the proposal deadline.
- No faxed or e-mailed proposals will be accepted.
- It is the intent of the County to award a one-year contract with the option to renew for four additional one-year terms for these services based on an evaluation of all sufficiently-responsive proposals.
- Newberry County will evaluate all qualifying proposals. All requirements in this RFP should be satisfied to ensure that proposal will qualify for consideration. Newberry County desires to receive proposals only from vendors who can demonstrate the specified qualifications set forth in this RFP. 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 proposal 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 should be provided in order for a proposal to be considered responsive. 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 RFP should be available for presentations and/or interviews within three (3) weeks following the proposal due date. The top ranked firms will be notified of the scheduled times of their respective presentations to the Evaluation Committee. The project manager and key individuals working on the project should be the presenters. 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 and all details of other innovative and original ideas above and beyond those discussed in this Request for Proposals.
- All ideas that meet or exceed the minimum requirements will be considered.
- Addenda to this RFP will be posted on the Newberry County Procurement Department's website ([www.newberrycounty.net/purchasing](http://www.newberrycounty.net/purchasing)). PLEASE NOTE THAT THE VENDOR IS ULTIMATELY RESPONSIBLE FOR VERIFYING ITS RECEIPT OF ANY AND ALL ADDENDA PRIOR TO THE PROPOSAL OPENING.
- Feel free to contact Crystal Waldrop via email at [cwaldrop@newberrycounty.net](mailto: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 should 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 Proposal.

Crystal Waldrop, CPPB  
Purchasing Director

**B. INTRODUCTION**

The Newberry County Finance Department and the Newberry County Treasurer's Office are requesting proposals from qualified certified public accounting firms licensed in the State of South Carolina to perform internal audit services. 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 intent is to award this contract for a one-year period, reserving the right thereafter to extend the contract period for up to four (4) additional one-year terms in the event the successful proposer agrees to hold the prevailing fixed annual price. Any renewal(s) shall be reviewed and approved by the Newberry County Council and must be confirmed in writing between the parties.

**C. SCOPE OF WORK**

Each firm responding to this RFP should demonstrate its experience in performing internal audits of local governments. 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 Internal 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 should be incorporated into the proposer'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 PROPOSALS**

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

Newberry County requires that proposals 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 responses 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 proposal. 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 proposer should provide a not-to-exceed fee and expense amount for the audit scope identified in this RFP. Total hours and weighted average rate per hour should be provided to support the fees.

### **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 proposal.
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 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.
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 Proposal, 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 RFP must be clearly pointed out in the offeror's proposal. Otherwise, the County will consider that all items offered are in strict compliance with this RFP, 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 it's 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 RFP by potential proposers, 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 RFP.

15. Following award of contract, the firm must coordinate all activities with the County Treasurer and the Finance Director.
16. In the event that proposer does not provide the minimum number of hours as addressed in this RFP, a reduction in the fee shall be made by multiplying the hours short by the average rate per hour. The County Administrator 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	

The Certificate of Insurance must list Newberry County, SC as the Certificate Holder as well as AN ADDITIONAL INSURED. The box in the bottom right hand corner must have the word "Prior" inserted after 30 days so that it reads as follows:

Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer will endeavor to mail 30 days prior written notice to the certificate holder named to the left.

**F. PROCEDURES FOR SUBMITTING PROPOSALS**

- Questions about the responses to the request for proposals should 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](mailto:cwaldrop@newberrycounty.net)

Phone: 803-321-2100

- Proposals should arrive at the above listed address no later than **October 1, 2009, at 3:00 p.m.** to be considered. It is the sole responsibility of proposers to insure timely arrival of any proposal submitted. 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 should 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.
- Proposals should 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 issuance of a Notice to Proceed.
- The contents of the Proposal of the successful firm may become part of any subsequent contractual obligation.
- Any questions concerning this Request for Proposal should be directed to Crystal Waldrop, Procurement at [cwaldrop@newberrycounty.net](mailto: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, 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 Proposal.

**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 proposals. All requirements of this RFP should be satisfied to ensure that the proposal will qualify for consideration. Newberry County desires to receive proposals only from firms who can demonstrate the specified qualifications mentioned in this RFP.

**2. References**

Current and previous clients of each firm that submits a proposal 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 RFPs. 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)	20
B. Relevant Experience (Staff and Firm)	20
C. References (Last 5 Engagements)	20
D. Quality of Proposal	20
E. Costs Associated with Services	<u>20</u>
<b>Total Points</b>	<b>100</b>

**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.

**H. VENDOR INFORMATION FORM**

The undersigned, on behalf of the respondent, certifies that; (1) this information is made without previous understanding, agreement or connection with any person, firm, or corporation providing a response to the same document; (2) is in all respects fair and without collusion or fraud; (3) the person whose signature appears below is legally empowered to bind the firm in whose name the response is entered; (4) they have read the complete Request for Proposal and understand all provisions; (5) if officially proposed in response to any Request for Proposal accepted by Newberry County, the capabilities identified are guaranteed as written and will be implemented as stated; and (6) mistakes in writing of the submitted response will be their responsibility.

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**Vendor Name as Registered with the SC Secretary of State**

**Type of Organization (check one):**

**Sole Proprietorship**  **Partnership**  **Corporation**  **Public Corp.**

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**Authorized Contact Name Printed**

**Title**

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**Authorized Signature**

**Date**

---

**Mailing Address**

**Physical Address**

---

**City/State/Zip**

**City/State/Zip**

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**Phone Number**

**Fax Number**

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**Company Website Address**

**E-Mail**

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**Tax I.D. Number**