



# City of Mauldin, SC

## March 30, 2020

REQUEST FOR PROPOSAL (RFP) PROFESSIONAL AUDITING SERVICES

For the Fiscal Year Ending  
June 30, 2021

**City of Mauldin, SC**  
Brandon Madden  
5 East Butler Road  
Mauldin, SC 29662

## Introduction

### 1.1. Purpose

The City of Mauldin is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2021, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards (1994), the provisions of the Federal Single Audit Act of 1984 (as amended in 1996) and the United States Office of Management and Budget (OMB) circular A-133, Audits of States and Local Governments, and Non-Profit Organizations, when applicable. Proposers are requested to indicate the fees associated with an A-133 audit separately on the attached bid form.

There is no expressed or implied obligation for the City of Mauldin to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

No preproposal conference will be held, any inquires concerning this request for proposal should be emailed to Holly Abercrombie, Director of Finance at [habercrombie@mauldincitysc.com](mailto:habercrombie@mauldincitysc.com).

To be considered, proposals must be received by the Finance Director, Holly Abercrombie, at 5 E. Butler Road, Mauldin, South Carolina by 2:00 p.m. on April 13, 2020. The City of Mauldin reserves the right to reject any or all proposals submitted.

The City Administrator, Finance Director and Staff Accountant of the City of Mauldin will evaluate the proposals submitted.

A list of key personnel with the location of their principal offices and phone numbers is attached (Appendix A).

During the evaluation process, the City of Mauldin reserves the right, where it may serve the City of Mauldin's best interest, to request additional information or clarifications from proposers and to allow corrections of errors or omissions. At the discretion of the City of Mauldin, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City of Mauldin reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm or the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Mauldin and the firm selected.

It is anticipated the selection of a firm will be completed and approved by City Council by June 30, 2020. Following the notification of the selected firm, it is expected a contract will be executed between both parties by July 30, 2020.

## **1.2. Background**

The City of Mauldin continues to experience unprecedented growth in its residential and commercial development. Since 2010, Mauldin's population has grown by approximately 10%, and is the 17th largest City of 270 municipalities in South Carolina. This population increase is a result of Mauldin's many positive attributes and proactive planning efforts. City Council, City staff, the Mauldin Chamber of Commerce, and the Greenville Area Development Corporation continue to work cooperatively to make this growth positive for all of our citizens. We want residents and businesses to know what we have known for years: Mauldin is a great place to live and work. The City works with other government organizations in cooperative economic development efforts while maintaining the City's high quality of life.

Mauldin has a tremendous asset in our prime Upstate location. Situated in the northwestern corner of South Carolina, Mauldin is an integral part of one of the nation's fastest-growing areas – the I-85 Corridor. With easy access to major interstates and in close proximity to Charlotte and Atlanta, Mauldin's location is ideal for business and industry. For traveling professionals, the Greenville Spartanburg International Airport is conveniently located just ten minutes away. Residents of Mauldin are in an ideal location to attend many of the cultural and sporting events that take place in the Upstate and make the area a fun, active, and interesting place to live. Mauldin aligns with Greenville County's business model, which over the past 30 years has transformed itself from the textile capital of the world to automotive, healthcare, engineering, manufacturing, advanced materials and data centers. Within Greenville County, there are other appealing business headquarters including BMW Manufacturing Company in Greer and Michelin North America in Greenville. The Clemson University International Center for Automotive Research, known as CU-ICAR, is a part of the Millennium Campus, which borders Mauldin and has brought 20,000 high-skilled jobs to the area.

Mauldin's culturally diverse and close-knit residents are familiar with a quality of life that values tradition, strong families and an endearing sense of community. Mauldin bustles with community life, evident in its annual festivals, abundant recreational facilities and parks, various religious organizations and public service amenities. For families with children, Mauldin offers top-notch education and healthcare. Mauldin's vision is to "Provide an Environment That Enhances the Quality of Life for All Citizens."

The City of Mauldin provides general governmental services of public safety, public works, parks and recreation, business and development services, and other general governmental services.

The City of Mauldin has a total payroll of approximately \$7,761,081 covering approximately 252 full-time and part-time employees.

The City of Mauldin is organized into ten (17) departments. The accounting and financial reporting functions of the City of Mauldin are centralized in the Finance Department.

**1.3. Fund Structure**

The City of Mauldin uses the following fund types and account groups in its financial reporting:

| <u>Fund Type</u>       | <u>Individual Funds</u> | <u>Legally Adopted Budgets</u> |
|------------------------|-------------------------|--------------------------------|
| General Fund           | 1                       | 1                              |
| Special Revenue Funds  | 7                       | 7                              |
| Capital Projects Funds | 1                       | 1                              |
| Enterprise Funds       | 2                       | 2                              |
| Trust and Agency Funds | 0                       | 0                              |

**1.4. Budgetary Basis of Accounting**

The City of Mauldin prepares its budgets on a basis consistent with generally accepted accounting principles and does not make regular amendments to the budgets.

**1.5. Federal and State Financial Assistance**

During the fiscal year to be audited, the City of Mauldin does not expect to break the threshold requirement as set forth in OMB Circular A-133.

**1.6. Pension Plans**

The City of Mauldin participates in the following pension plans: State of South Carolina Police Retirement System and the State of South Carolina Retirement System, both of which are defined benefit cost-sharing multiple-employer public employee retirement systems, as well as the State of South Carolina 401(k) and 457 Deferred Compensation Plans. Actuarial services for these plans are provided by the State of South Carolina.

**1.7. Component Units**

The City of Mauldin is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board’s *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, no component units are included in the City’s financial statements.

**1.8. Magnitude of Administration Operations**

City Administrator, Brandon Madden oversees the Administration Department with (3) employees. Holly Abercrombie oversees the finance department with (2) employees. The principal functions performed and the numbers of employees assigned to each are as follows:

| <u>Function</u>               | <u>Number of Employees</u> |
|-------------------------------|----------------------------|
| Accounts Payable / Purchasing | 1                          |
| Human Resources               | 1                          |
| Payroll / Accounts Receivable | 1                          |
| Staff Accountant              | 1                          |
| Permits / Business Licensing  | 3*                         |

*\*Note: Permits/Business Licensing falls under the Director of Business Services, David Dyrhaug with financial assistance from the Director of Finance.*

**1.9. Computer Systems**

Each employee has a computer workstation that is connected to the wide area network with access to the necessary modules needed to accomplish assigned tasks. The primary software for all accounting functions is Smartfusion from Harris, Inc. The following modules of Smartfusion software are installed and in use by the City of Mauldin:

|                     |                          |
|---------------------|--------------------------|
| Fund Ledger         | Payroll                  |
| Accounts Payable    | Cash Receipts            |
| Human Resources     | Accounts Receivable      |
| Purchasing          | Fixed Assets             |
| Bank Reconciliation | Cash Collections         |
|                     | Budget Prep (not in use) |

**1.10. Internal Audit Function**

The City of Mauldin does not maintain an internal audit division. The Finance Director and Staff Accountant complete certain internal audit tasks.

**1.11. Availability of Prior Audit Reports and Work Papers**

Interested proposers who wish to review prior years’ audit reports and management letters can do so by emailing a request to Holly Abercrombie at [habercrombie@mauldincitysc.com](mailto:habercrombie@mauldincitysc.com). The City of Mauldin prior audit reports are available on the City’s website [www.cityofmauldin.org](http://www.cityofmauldin.org).

**1.12. Special State Reporting Requirement**

SC Code of Laws Section 14-1-208 requires that the annual audit include a review of accounting controls over court assessments and further requires the City 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 law requires that the schedule be included in the external auditor’s report by an “in relation to” paragraph as required by generally accepted auditing standards when information accompanies the basic financial statements in auditor-submitted documents.

**1.13. Terms of Engagement**

A five (5) year contract is contemplated, subject to an annual review, the satisfactory negotiation of terms (including a price acceptable to both the City of Mauldin and the selected firm), and the concurrence of the City of Mauldin and the annual availability of appropriations.

**1.14. Subcontracting**

Subcontracting of the primary functions of the audit will not be allowed. However, if it is determined necessary that any specialty work be subcontracted, it will only be allowed with prior written consent of the City of Mauldin.

**2. Instructions**

**2.1. Submission of Proposals**

To be considered, interested parties should send one electronic (.pdf) version of a fully responsive proposal. All proposals must be received on April 13, 2020 by 2:00pm (closing date and time) at which time they will be opened in the upstairs conference room at City Hall.

Proposals can be emailed to [habercrombie@mauldincitysc.com](mailto:habercrombie@mauldincitysc.com) or mailed to the following address:

City of Mauldin  
Holly Abercrombie  
Finance Director  
5 East Butler Road  
PO Box 249  
Mauldin, SC 29662  
(864) 289-8890

Offerors wishing to make changes to their proposals after submission but prior to 4pm may do so by submitting the revisions by fax, email or hard copy. It is the Offeror's sole responsibility to ensure the revisions are received by the City prior to the closing date and time. Proposals received after the closing date and time may not be accepted or considered.

Responses to this request for proposals will allow the City to rank the Offerors and enter negotiations with the Offeror whose proposal is deemed most advantageous to the City with price and other factors considered.

## **2.2. Questions**

The Offeror shall carefully examine the RFP documents and shall fully inform themselves as to the intent, existing conditions and limitations which may affect their proposal submission. No consideration will be given after submission of a proposal to any claim that there was any misunderstanding with respect to the conditions imposed.

Offerors finding discrepancies or omissions in the RFP or having doubts as to the meaning or intent of any provision, should immediately notify the above listed contact. If there are any changes, additions, or deletions to the proposal scope, conditions, or closing date, all Offerors will be advised by means of an Addendum issued by the City. All Addenda are to become part of the proposal documents and receipt of Addenda should be acknowledged by the Offeror in the submission.

The City reserves the right to accept one or more proposal and to reject any or all proposals submitted as it deems appropriate and in the best interest of the City. The City also reserves the right to terminate this solicitation and reissue a subsequent solicitation, and/or remedy technical errors in the solicitation process.

## **3. General Conditions**

### **3.1. Competition**

It is the intent and purpose of the City that this solicitation permits competition. It shall be the Offeror's responsibility to advise the Office of Procurement in writing if any language, requirements, etc. or any combination thereof, inadvertently restricts or limits the requirements stated in this solicitation to a single source. Such notification shall be submitted

in writing and must be received by City Hall at least ten (10) calendar days prior to proposals receipt date. A review of such notification shall be made.

**3.2. Confidentiality and Proprietary Information**

All submissions become the property of the City and will not be returned to the Offeror. The City will consider all proposals submitted as confidential but reserves the right to make copies of all Proposals received for its internal review and for review by its financial, accounting, legal, and technical consultants. Offerors should be aware that the City of Mauldin is a “public body” as defined in and subject to the provisions of the Freedom of Information Act.

**3.3. Conflict of Interest**

The Offeror shall disclose in its proposal any actual or potential conflicts of interest and existing business relationships it may have with the City of Mauldin, its elected or appointed officials or employees, any property ownership direct or indirect in the jurisdiction. Offeror certifies by submission of proposal that neither it nor its principals, nor its perspective subcontractors are presently debarred, suspended, or proposed for debarment by the City of Mauldin or any state or federal department or agency.

**3.4. Compliance, Assurance and Non-collusion**

Except as otherwise specified or as arising by reason of the provision of the contract documents, no person whether natural, or body corporate, other than the Offeror has or will have any interest or share in this proposal or in the proposed contract which may be completed in respect thereof. By responding to this RFP, the Offeror agrees that there is no collusion or arrangement between the Offerors and any other actual or prospective Offerors in connection with proposals submitted for this project and the Offeror has no knowledge of the contents of other proposals and has made no comparison of figures or agreement or arrangement, express or implied, with any other party in connection with the making of the proposal.

During the period between publication of the solicitation and award, you must not communicate, directly or indirectly, with the using department, its employees, agents or officials regarding any aspect of this procurement activity, unless otherwise approved in writing to the City’s designated point of contact for this RFP.

Each Offeror shall comply with all applicable federal, state and local laws and shall meet all requirements imposed upon this service industry by regulatory agencies. Offerors will submit the Statement of Assurance, Compliance and Non-collusion with its proposal submittal which is enclosed as Attachment A.

**3.5. Drug-Free Workplace**

Offeror(s) will submit the Drug-Free Workplace Certification with its proposal submittal which is enclosed as Attachment B.

**3.6. Insurance**

The Offeror shall procure and maintain for the duration of the contract all such insurance, as required by the laws of the State of South Carolina, against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the Offeror or its individuals, firms, agents, representatives, or employees. The cost of such insurance shall be included in the fee proposed. A breach of the insurance requirements shall be material. Offerors will submit and minimally the below listed insurance. The Offeror will submit the Insurance Certification with its proposal submittal which is enclosed as Attachment C.

**3.7. Litigation**

Offerors who, either directly or indirectly through another corporation or entity, have been or are in litigation, or who have served notice with intent to proceed with court action against the City in connection with any contract for works or services, may be considered ineligible. Receipt of proposals from such Offerors may be disqualified from the evaluation process.

**3.8. No Contract**

This RFP is not a tender and does not commit the City in any way to select a preferred Offeror. By submitting a proposal and participating in the process as outlined in this RFP, Offerors expressly agree that no contractual, tort or other legal obligation of any kind is formed under or imposed on the City of Mauldin by this RFP or submissions prior to the completed execution of a formal written Contract.

**4. Time Requirements**

**4.1. Proposal Calendar**

The following is a list of key dates up to and including the date proposals are to be submitted:

|                             |                |
|-----------------------------|----------------|
| Request for proposal issued | March 30, 2020 |
| Due date for proposals      | April 13, 2020 |

**4.2. Notification and Contract Dates**

|                        |                  |
|------------------------|------------------|
| Selected firm notified | by June 30, 2020 |
| Contract Date          | by July 30, 2020 |

**4.3. Date Audit May Commence** **Any date subsequent to September 2021**

The City of Mauldin will have all records ready for audit and all management personnel available to meet with the firm's personnel in September 2021. At the discretion of the auditor, interim work may be scheduled prior to June 30, 2021, on a mutually agreed upon date.

**4.4. Schedule for the 2021 Fiscal Year Audit**

The audit schedule will be determined subsequent to awarding of the contract. A similar time schedule will be developed for audits of future fiscal years if the City of Mauldin exercises its option for additional audits.

Each of the following should be completed by the auditor no later than the dates indicated.

**a. Interim Work**

The auditor shall complete interim work, if desired, on a yet to be determined date.

**b. Detailed Audit Plan**

The auditor shall provide the City of Mauldin by August 15, 2021, a list of all schedules to be prepared by the City of Mauldin.

**c. Fieldwork**

The auditor shall complete all fieldwork by October 16, 2021.

**d. Draft Reports**

The auditor shall have proposed adjusting journal entries and recommendations to management available for review by the Finance Director by October 30, 2021.

**4.5. Entrance Conferences, Progress Reporting and Exit Conferences**

A similar time schedule will be developed for audits of future fiscal years if the City of Mauldin exercises its option for additional audits.

**a. Entrance Conference**

**Week of August 1, 2021**

The auditor will meet with all key finance department personnel if necessary. The purpose of this meeting will be to discuss prior audit problems and the interim work to be performed. This meeting will also be used to establish an overall liaison for the audit and to arrange for workspace and other needs of the auditor.

**b. Progress conference with the Finance Director**

**As agreed and needed**

The purpose of this meeting will be to summarize the results of the preliminary review and to maintain an open channel of communication and cooperation.

**c. Exit conference with the Finance Director**

**To be Determined**

The purpose of this meeting will be to summarize the results of the fieldwork and to review significant findings.

**4.6. Date Final Report is Due**

The signed Auditor reports must be delivered to the Finance Director on or before November 6, 2021. Once all issues for discussion are resolved, the final signed report shall be presented to City Council on or before December 14, 2021.

## **5. Assistance to be Provided to the Auditor and Report Preparation**

### **5.1. Finance Department and Clerical Assistance**

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the auditor.

### **5.2. Statements and Schedules to be prepared by the staff of the City of Mauldin.**

The staff of the City of Mauldin will prepare all statements and schedules for the auditor which are requested by the due date required which are reasonable and customary.

### **5.3. Work area, telephone, photocopying and fax machines.**

The City of Mauldin will provide the auditor with reasonable workspace, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and fax machines.

### **5.4. Report Preparation**

Report preparation and editing shall be the responsibility of the auditor. The final signed report is to be provided in electronic format and (15) hard copies.

## **6. Proposal Requirements**

### **6.1. General Requirements**

#### **a. Obtain official Request for Proposal Package.**

Firms interested in submitting a proposal should become familiar with the proposal prior to the pre-proposal conference.

#### **b. Inquiries**

Inquiries concerning the request for proposals must be made to:

The City of Mauldin  
Attn: Holly Abercrombie  
Director of Finance  
PO Box 249  
Mauldin, South Carolina 29662  
[habercrombie@mauldincitysc.com](mailto:habercrombie@mauldincitysc.com)

#### **c. Submission of Proposals**

The following material is required to be received by 2:00 PM, April 13, 2020, for a proposing firm to be considered:

- i. Four (4) copies of a Technical Proposal to include the following:
  1. Title Page  
Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
  2. Table of Contents

3. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be the best qualified firm to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 90 days.

4. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

5. Executed copies of Proposer Guarantees and Proposer Warranties, attached to this request for proposal (Appendix B and Appendix C.)

The proposer shall submit the dollar cost bid, detailed in the format provided in Appendix D and Appendix E, following the Technical Proposal, as a separate, tab-divided section.

ii. **Proposers should mail or hand-deliver the completed proposal to the following address:**

The City of Mauldin  
Attn: Holly Abercrombie  
Director of Finance  
5 E. Butler Road  
Mauldin, South Carolina 29662

All proposals must be received by 2:00 PM on April 13, 2020, to be considered.

**6.2. Technical Proposal**

**6.2.1. General Requirements**

**The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Mauldin in conformity with the requirements of this request for proposal.** As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

There should be no dollar units or total costs included in the technical proposal document. These costs are contained in the separate, tab-divided section of the proposal following the Technical Proposal.

The Technical Proposal should address all the points outlined in the request for proposal (excluding any cost information which should only be included in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented,

the following subjects, item numbers 2 through 10, must be included. They represent the criteria against which the proposal will be evaluated.

**6.2.2. Independence**

The firms should provide an affirmative statement that is independent of the City of Mauldin as defined by generally accepted auditing standards and the United States General Accounting Office's Government Auditing Standards (1994).

The firm should also provide an affirmative statement that it is independent of all of the component units of the City of Mauldin as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving the City of Mauldin or any of its agencies or component units for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City of Mauldin written notice of any professional relationships entered into during the period of this agreement.

**6.2.3. License to Practice in South Carolina**

An affirmative statement should be included that the firm and all assigned key professional staff are licensed to practice in South Carolina.

**6.2.4. Firm Qualifications and Experience**

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information, the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

**6.2.5. Partner, Supervisory and Staff Qualifications and Experience**

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the

engagement. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. Indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff is to be assigned to the audit which reflects the City of Mauldin's commitment to Affirmative Action.

Engagement partners, managers, other supervisory staff and specialists may be changed if they leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of Mauldin. However, in either case, the City of Mauldin retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the City of Mauldin, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer if replacements have substantially the same or better qualifications or experience.

**6.2.6. Prior Engagements with the City of Mauldin**

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the City of Mauldin by the type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

**6.2.7. Similar Engagements with Other Government Entities**

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and name and telephone number of the principal client contact.

**6.2.8. Specific Audit Approach**

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Proposal including the level of staff and number of hours to be assigned to the major segments of the engagement. The following information is requested and provided to help with the development of the work plan.

**6.2.9. Proposed segmentation of the engagement**

- a. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- b. Sample size and the extent to which statistical sampling is to be used in the engagement
- c. Extent of use of EDP software in the engagement
- d. Type and extent of analytical procedures to be used in the engagement
- e. Approach to be taken to gain and document an understanding of the City of Mauldin's internal control structure
- f. Approach to be taken in determining laws and regulations that will be subject to audit test work
- g. Approach to be taken in drawing audit samples for purposes of tests of compliance

**6.3. Dollar Cost Bid**

**6.3.1. Total All-Inclusive Maximum Price**

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this Request For Proposal. The total all-inclusive maximum price bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City of Mauldin will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar costs bid. Such costs should not be included in the proposal.

The dollar costs bid should include the following information:

- a. Name of firm
- b. Certification that the persons signing the proposal are entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the City of Mauldin.
- c. A total all-inclusive maximum price for the 2021 engagement. Firms should include an all-inclusive maximum price for each of the engagement years.

**6.3.2. Rates by partner, specialist, supervisory and staff level, times hours anticipated for each.**

The dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in Appendix D, that supports the total all-inclusive maximum price. The costs of additional audit services as may be required by OMB Circular A-133 should be disclosed separately and presented in the format provided in Appendix E.

**6.3.3. Out-of-pocket expenses included in the total all-inclusive maximum price and reimbursement rates.**

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by the City of Mauldin for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the sealed dollar costs bid in the format provided in Appendix D. All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

In addition, a statement must be included in the sealed dollar costs bid stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing rates for the City of Mauldin's employees.

**6.3.4. Rates for Additional Professional Services**

If it should become necessary for the City of Mauldin to request the auditor to render any additional services to either supplement the services requested in the Request for Proposal or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of Mauldin and the firm. Any such additional work agreed to between the City of Mauldin and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar costs bid.

**6.3.5. Manner of Payment**

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar costs bid proposal. Interim billing shall cover a period of not less than one calendar month. Ten percent (10%) will be withheld from each payment pending delivery of the firm's final report.

**6.4. Proposal Guarantees, Warranties and Schedule**

The Offeror must furnish items and services identified under Scope of Work in accordance with Conditions, requirements and all other terms as set forth elsewhere herein. Offerors must execute and include Attachment D with its proposal which agrees to and acknowledges the acceptances of the responsibility to provide all as specified.

**6.5. Evaluation Procedures**

**6.5.1. Review Committee**

Submitted proposals will be evaluated by the City Administrator, Finance Director and/or Finance department staff.

**6.5.2. Evaluation Criteria**

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The principal selection criteria that will be considered during the evaluation process are as follows:

#### **6.5.2.1. Mandatory Elements**

- a. The audit firm is independent and licensed to practice in South Carolina.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City of Mauldin.
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

#### **6.5.2.2 Technical Quality**

##### **a. Expertise and Experience**

- i. The firm's past experience and performance on comparable government engagements.
- ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel is to be available for technical consultation.

##### **b. Audit Approach**

- i. Adequacy of proposed staffing plan for various segments of the engagement
- ii. Adequacy of sampling techniques
- iii. Adequacy of analytical procedures

#### **6.5.3. Price**

Cost will not be the primary factor in the selection of an audit firm.

#### **6.5.4. Oral Presentations**

During the evaluation process, the Review Committee may, at their discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Review Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

#### **6.5.5. Final Selection**

The City Council will select a firm based upon the recommendation of the Review Committee.

It is anticipated that a firm will be selected by June 30, 2020. Following notification of the firm selected, it is expected a contract will be executed between both parties by July 30, 2020.

#### **6.5.6. Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm on the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Mauldin and the firm selected.

The City reserves the right without prejudice to reject any or all proposals, and to waive any technicalities and informalities in any proposal and to award the proposal in the best interest of the City of Mauldin.

**7. Scope of Work<sup>1</sup>**

The City of Mauldin will be including its financial statements in a Comprehensive Annual Financial Report (“CAFR”) in compliance with GASB Statement # 34. The auditor is to provide an audit report on the fair presentation of that set of financial statements sufficient to satisfy the requirements of the Government Finance Officers Association’s Certificate of Achievement Program and in a form that complies with the AICPA’s definition of the appropriate form of the independent auditor’s report for audits of GASB 34 governments as defined in its current edition of Audits of State and Local Government Units. The audit must also cover the City’s Schedule of Federal Awards (if any), which will be included in the CAFR.

**7.1. Auditing Standards to be Followed**

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the United States General Accounting Office’s *Government Auditing Standards* (1994), the provisions of the Federal Single Audit Act of 1984 ( as amended in 1996) and the provisions of the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States and Local Governments and Non-Profit Organizations* when applicable.

**7.2. Reports to be Issued**

Following the completion of the audit of the fiscal year’s financial statements, the auditor shall issue:

- 7.2.1.** A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
- 7.2.2.** A report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with *Government Auditing Standards*.
- 7.2.3.** If needed a report on compliance and internal control over compliance applicable to each major federal financial assistance program and on internal control over compliance in accordance with OMB Circular A-133.
- 7.2.4.** In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined

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<sup>1</sup> Please note, these are high level tasks to help inform Offeror(s)’ proposal narratives and budget. Final contract Scope of Work with be based on the City’s needs, the selected Offeror(s) proposed timeline and approach, and final negotiations with the selected Offeror(s) prior to contract award

as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.

**7.2.5.** Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management.

**7.2.6.** The report on compliance shall include all material instance of non-compliance. All non-material instances of non-compliance shall be reported in a separate management letter.

**7.3.** Fraud and illegal acts. Auditors shall be required to make an immediate, written report of all fraud and illegal acts of which they become aware to the City Administrator and Finance Director.

**7.4.** Reporting to the City Administrator and Finance Director: Auditors shall assure themselves that the City Administrator and Finance Director are informed of each of the following:

1. The Auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

**7.5. Special Considerations**

The City of Mauldin will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the City to meet the requirements of that program.

**7.5.1. Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Mauldin of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- City of Mauldin
- United States Government
- United States General Accounting Office (GAO)

- Parties designated by the federal or state governments or by the City of Mauldin as part of an audit quality review process
- Auditors of entities of which the City of Mauldin is sub-recipient of grant funds

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

# APPENDIX A

## APPENDIX A

### LIST OF KEY PERSONNEL, OFFICE LOCATIONS, AND TELEPHONE NUMBERS

|  |  |                |
|--|--|----------------|
| Brandon Madden<br>City Administrator                           | City Hall                                      | (864) 289-8890 |
| Matthew Fleahman<br>Public Works Director                      | Public Works                                   | (864) 289-8904 |
| Bart Cumalander<br>Acting Director of Recreation               | Sports Center                                  | (864) 288-3354 |
| Brian McHone<br>Acting Fire Chief                              | Main Fire Department                           | (864) 289-8925 |
| Cindy Miller<br>Municipal Clerk                                | City Hall                                      | (864) 289-8894 |
| Angela Martin<br>Administrative Judge                          | Muni. Court / City Hall, 1 <sup>st</sup> Floor | (864) 289-8907 |
| Bryan Turner<br>Chief of Police                                | City Hall                                      | (864) 289-8906 |
| David Dyrhaug<br>Director of Business and Development Services | City Hall                                      | (864) 289-8979 |
| Van Broad<br>Director of Community Development                 | City Hall                                      | (864) 289-8903 |
| Holly Abercrombie<br>Director of Finance                       | City Hall                                      | (864) 289-8895 |
| Jennifer Harris<br>Staff Accountant                            | City Hall                                      | (864) 289-8896 |
| John Duggan<br>City Attorney                                   | Pennsylvania Ave.                              | (864) 879-0144 |

**ATTACHMENT A – COMPLIANCE,  
ASSURANCE AND NON-COLLUSION**

**Statement of Assurance, Compliance and Non-collusion**

State of \_\_\_\_\_

County of \_\_\_\_\_

City of \_\_\_\_\_, being first duly sworn, deposes and says that:

1. The undersigned, as Vendor, certifies that every provision of this Submittal have been read and understood.
  
2. The Vendor hereby provides assurance that the firm represented in this Submittal:
  - a. Will comply with all requirements, stipulations, terms and conditions as stated in the Submittal/Submittal document; and
  
  - b. Currently complies with all Federal, State, and local laws and regulations regarding employment practices, equal opportunities, industry and safety standards, performance and any other requirements as may be relevant to the requirements of this solicitation; did not participate in the development or drafting specifications, requirements, statement of work, etc. relating to this solicitation; and
  
  - c. Is not guilty of collusion with other Vendors possibly interested in this Submittal in arriving at or determining prices and conditions to be submitted; and
  
  - d. No person associated with Vendor’s firm is an employee of the City of Mauldin. Should Vendor, or Vendor’s firm have any currently existing agreements with the City, Vendor must affirm that said contractual arrangements do not constitute a conflict of interest in this solicitation; and
  
  - e. That such agent as indicated below, is officially authorized to represent the firm in whose name the Submittal is submitted.

|  |               |
|--|---------------|
| <b>Company name:</b>                                     |               |
| <b>Name of Agent (Print or Type):</b>                    |               |
| <b>Title:</b>  | <b>Date:</b>  |
| <b>Signature of Agent:</b>                               |               |
| <b>Telephone #</b>                                       | <b>Fax #:</b> |
| <b>Federal Identification Number:</b>                    |               |
| <b>Email address:</b>                                    |               |
| <b>Subscribed and sworn to me this            day of</b> |               |
| <b>my commission expires:</b>                            | <b>Title:</b> |

**(Must be notarized by a Notary Public)**

**SEAL**

**ATTACHMENT B – DRUG-FREE WORKPLACE  
CERTIFICATION**

**DRUG-FREE WORKPLACE CERTIFICATION**

In accordance with Section 44-107-30, South Carolina Code of Laws (1976), as amended, and as a condition precedent to the award of the above-referenced contract, the undersigned, who is a member of the firm of (hereinafter contractor) certifies on behalf of the contractor that the contractor will provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensations, possession, or use of a controlled substance is prohibited in the contractor’s workplace and specifying the actions that will be taken against employees for violations of the prohibition;
2. Establishing a drug-free awareness program to inform employees about:
  - a. The dangers of drug abused in a workplace;
  - b. The person’s policy of maintaining a drug-free workplace;
  - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
  - d. The penalties that may be imposed upon employees for drug violations;
3. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by item (1);
4. Notifying the employee in the statement required by item (1) that, as a condition of employment on the contract or grant, the employee will:
  - a. Abide by the terms of the statement; and
  - b. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after the conviction;
5. Notifying the City of Mauldin within ten days after receiving notice under item (4) (b) from an employee or otherwise receiving actual notice of the conviction;
6. Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee convicted as required in Section 44-107-50; and
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of items (1), (2), (3), (4), (5), and (6).

|  |               |
|--|---------------|
| <b>Company name:</b>                                     |               |
| <b>Name of Agent (Print or Type):</b>                    |               |
| <b>Title:</b>  | <b>Date:</b>  |
| <b>Signature of Agent:</b>                               |               |
| <b>Telephone #</b>                                       | <b>Fax #:</b> |
| <b>Federal Identification Number:</b>                    |               |
| <b>Email address:</b>                                    |               |
| <b>Subscribed and sworn to me this            day of</b> |               |
| <b>my commission expires:</b>                            | <b>Title:</b> |

**(Must be notarized by a Notary Public)**

**SEAL**

# ATTACHMENT C – INSURANCE

## **INSURANCE – PROFESSIONAL SERVICES**

The Offeror shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the fee proposed.

For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

### **A. Minimum Scope and Limits of Insurance**

1. Broad Form Comprehensive General Liability  
\$1,000,000 combined single limit per occurrence for bodily injury, personal injury, property damage, to include products and any completed operations.
2. Automobile Liability  
\$1,000,000 combined single limit per occurrence for bodily injury and property damage
3. Umbrella Liability  
\$1,000,000 per occurrence, following form.
4. Workers' Compensation  
Limits as required by State of South Carolina.
5. Employers' Liability
  - \$100,000 each accident
  - \$500,000 disease/policy limit
  - \$100,000 disease/each employee
6. Professional Liability (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two years following contract completion.)
  - \$1,000,000 per occurrence
  - \$2,000,000 aggregate
7. Personal Property Coverage  
Adequate insurance to cover the value of personal property belonging to the Vendor while located on City of Mauldin property, while in use or in storage, for the duration of the contract.
8. Liability (General, Automobile, Professional) Coverage;
  - a. "The City of Mauldin and its respective officers, agents, officials, employees, volunteers, boards and-commissions" are to be named as additional insured's with regards to liability arising out of activities performed by or on behalf of the Vendor; products and completed operations of the Vendor; premises owned, leased or used by the Vendor. The coverage shall contain no special limitations on the scope of protection afforded to the City.

- b. The Vendor's insurance coverage shall be the primary insurance as regards to this contract with the City. Any insurance or self-insurance maintained by the City shall be in excess of the Vendor's insurance and shall not contribute with it.
- c. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City.
- d. Coverage shall state that the Vendor's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.

9. Workers' Compensation and Employer's Liability Coverage

- a. The insurer shall agree to waive all rights of subrogation against City of Mauldin for losses arising from the work performed by the Vendor for the City.
- b. If State statute does not require the Vendor to obtain Workers' Compensation insurance, then the Vendor shall furnish the City with adequate proof of the self-employment status. The Vendor agrees to waive all rights of claims against the City for losses arising from the work performed by the Vendor. In the event that during the contract this self-employment status should change, the Vendor shall immediately furnish proper notice to the City and a certificate of insurance indicating that Workers' Compensation insurance and Employer's Liability coverage has been obtained in the correct amounts by the Auditor as required by this Exhibit.

10. Acceptability of Insurers

- a. Insurance is to be placed with insurers which have a Best's rating of at least A.
- b. Insurance companies must either be licensed to do business in the State of South Carolina or be deemed to be acceptable by the City Administrator.

11. Verification of Coverage

The Vendor shall furnish the City with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the City Administrator before work commences. Renewal of expiring certificates shall be filed thirty days prior to expiration. The City reserves the right to require complete, certified copies of all required policies, at any time.

B. Aggregate Limits

Any aggregate limits must be declared to and be approved by the City of Mauldin.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and be approved by the City in writing. At the option of the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions as regards the City or the Vendor shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses.

At no time will the City be responsible for the payment of deductibles or self- insured retentions.

D. Notice of Cancellation or Non-renewal

Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty days prior written notice by certified mail, return receipt requested, has been given to the City.

E. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions;

All insurance documents required by this Exhibit shall be mailed to Mark Putnam, PO Box 249 Mauldin SC 29662.

|  |               |
|--|---------------|
| <b>Company name:</b>                                 |               |
| <b>Name of Agent (Print or Type):</b>                |               |
| <b>Title:</b>  | <b>Date:</b>  |
| <b>Signature of Agent:</b>                           |               |
| <b>Telephone #</b>                                   | <b>Fax #:</b> |
| <b>Federal Identification Number:</b>                |               |
| <b>Email address:</b>                                |               |
| <b>Subscribed and sworn to me this        day of</b> |               |
| <b>my commission expires:</b>                        | <b>Title:</b> |

*(Must be notarized by a Notary Public)*

**SEAL**

**ATTACHMENT D – PROPOSAL GUARANTEES,  
WARRANTIES AND SCHEDULE**

**PROPOSAL/PROPOSER GUARANTEES, WARRANTIES AND SCHEDULE**

**Proposer Guarantees**

The proposer certifies it can and will provide and make available, at a minimum, all services set forth in this RFQ.

**Proposer Warranties**

1. Proposer warrants that it is willing and able to comply with State of South Carolina laws with respect to foreign (non-state of South Carolina) corporations.
2. Proposer 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.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission and consent of the City of Mauldin.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

**Proposer Schedule**

The Offeror also understands by executing and dating this document their proposed prices/costs shall hold firm for a period of not less than *ninety (90)* calendar days after the date of the solicitation award.

|  |               |
|--|---------------|
| <b>Company name:</b>                               |               |
| <b>Name of Agent (Print or Type):</b>              |               |
| <b>Title:</b>                                      | <b>Date:</b>  |
| <b>Signature of Agent:</b>                         |               |
| <b>Telephone #</b>                                 | <b>Fax #:</b> |
| <b>Federal Identification Number:</b>              |               |
| <b>Email address:</b>                              |               |
| <b>Subscribed and sworn to me this      day of</b> |               |
| <b>my commission expires:</b>                      | <b>Title:</b> |

*(Must be notarized by a Notary Public)*

**SEAL**