

**REQUEST FOR PROPOSAL**

**BY THE**

**SOUTH CAROLINA APPALACHIAN  
COUNCIL OF GOVERNMENTS**

**FOR**

**AUDIT SERVICES**

**SC APPALACHIAN COUNCIL OF GOVERNMENTS  
REQUEST FOR PROPOSAL  
GENERAL INFORMATION**

The requestor is:

South Carolina Appalachian Council of Governments (SCACOG)  
P O Box 6668  
30 Century Circle  
Greenville, SC 29606

Questions concerning the proposal or SCACOG's accounting records should be directed to:

Donald Zimmer, Finance Director  
South Carolina Appalachian Council of Governments  
P O Box 6668  
30 Century Circle  
Greenville, SC 29606  
(864)241-4630

To qualify for consideration, nine sealed copies of your proposal, marked PROPOSAL – DO NOT OPEN, must be received at the Council of Governments' office by 5:00 p.m. on Friday, March 15, 2013. The proposal should be addressed to Donald Zimmer at the above address. Late proposals will be rejected as not meeting the mandatory RFP requirements. Your proposal should comply strictly to the required format.

Proposals will be opened Monday, March 18, 2013, 9:30 a.m., at the SCACOG's Finance Department, 30 Century Circle, Greenville, SC.

All proposals will be the property of SCACOG.

**SC APPALACHIAN COUNCIL OF GOVERNMENTS  
REQUEST FOR PROPOSAL  
OUTLINE**

- I. The Council's Needs
  - A. Description of Entity and Records to Be Audited
  - B. Nature of Services Required
  - C. Assistance Available to Proposer
  - D. Report Requirements
  - E. Time Considerations and Related Requirements
  - F. Contractual Arrangements
  - G. Working Papers
  - H. Right of Rejection
  
- II. Format for Information Requested from the Proposer
  - A. Title Page
  - B. Table of Contents
  - C. Letter of Transmittal/Fees
  - D. Proposer's Profile
  - E. Proposer's Qualifications
  - F. Work Plan
  - G. Other Information
  
- III. Evaluation of Proposals

**SC APPALACHIAN COUNCIL OF GOVERNMENTS  
REQUEST FOR PROPOSAL**

**I. The Council's Needs.**

**A. Description of Entity and Records to Be Audited.**

The South Carolina Appalachian Council of Governments (hereinafter known as SCACOG) is a regional council of governments servicing Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg Counties of South Carolina. The annual operating budget is \$3.8 million and pass-through funds total \$5.8 million. About \$4.5 million received annually is from the US Department of Health and Human Services for the administration of programs authorized by the Older Americans Act and from the Lieutenant Governor's Office on Aging. About \$3.4 million is received from the US Department of Labor for the administration of programs authorized by the Workforce Investment Act.

**B. Nature of Services Required.**

Each proposal must address itself to the conduct of an examination and an expression of an opinion upon SCACOG's financial statements for each year represented by this request including financial and compliance audits of SCACOG's books and records for the fiscal years ending June 30, 2013, 2014, and 2015. The examination must be performed in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and OMB Circular A-133.

**C. Assistance Available to Proposer.**

SCACOG's finance staff consists of a Finance Director and two accountants. Staff will be available to assist the proposer in copying documents and pulling random sample test items. A suitable work area will be provided. Prior year financial statements are available for review if requested by the proposer. The finance staff will prepare the financial statements.

**D. Report Requirements.**

The document submitted for SCACOG must include the auditors' report, management discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, a report on internal control, report on compliance with requirements of major programs, schedule of expenditure of federal awards, and any other required statements, schedules, and reports.

**E. Time Considerations and Related Requirements.**

Preliminary audit work may be performed four to six weeks prior to the close of the fiscal year. Post closing work may begin approximately sixty days following the close of the fiscal year at a time mutually agreeable to the Finance Director and to the proposer. A preliminary audit report must be completed and an exit conference scheduled no later than November 15 each year. Prior to submission of a completed report, the proposer must review a draft of the report with the Finance Director. Reportable items must be discussed with the Finance Director and the Executive Director. Seventy-five copies of SCACOG's audit must be received no later than November 30 each year. The report will be presented at the SCACOG December board meeting.

**F. Contractual Arrangements.**

The contract shall run for a period of three years, beginning with SCACOG fiscal year ending June 30, 2013, and terminating upon successful completion of all audit work required for each of the three years. This request for proposal will be an integral part of the contract and will be incorporated therein.

**G. Working Papers.**

The proposer must retain working papers for a period of at least three years following the date of the final report. Working papers must be available for examination by authorized representatives of the cognizant federal and/or state agencies and of SCACOG.

**H. Right of Rejection.**

SCACOG reserves the right to reject any and all proposals and to request additional information from any and all proposers.

**II. Format for Information Requested from the Proposer.**

- A. Title Page** listing the firm's name, address, contact person, telephone number, and the date of the proposal.
- B. Table of Contents** with a clear identification of the material by section and page number.
- C. Letter of Transmittal** briefly stating in one to two pages the proposer's understanding of the work to be done and a positive commitment to perform the work in the manner required. The letter of transmittal should also separately state the **Fees** for each report requested and for each year requested for each entity.
- D. Proposers's Profile** stating the location of the office performing the work along with the number of partners, managers, and other professional staff employed at that office. The profile should describe the range of activities (auditing, accounting, tax, and management services) performed at this office and the

approximate percentage of total work hours devoted to each activity. The profile should list other office locations within the firm with comparable information concerning number of partners, managers, and staff at those locations.

- E. Proposer's Qualifications** should identify the supervisors and key staff who will work on the audit. Include resumes for each supervisory person showing relevant experience and assurance that continuing education requirements have been met.
- F. The Work Plan** should include time estimates for each significant segment of the work and the staff to be assigned. Where possible, staff members should be named.
- G.** The proposer may also include any **Other Information** deemed relevant.

**III. Evaluation of Proposals.** The following factors will be considered by SCACOG in its evaluation of proposals:

- A. Responsiveness of the proposal** in clearly stating an understanding of the work to be performed
  - 1. Appropriateness and adequacy of proposed procedures as described in the work plan 0-5 points
  - 2. Necessity of procedures 0-5 points
  - 3. Reasonableness of time estimates 0-5 points
  - 4. Appropriateness of staff assignments 0-5 points
  - 5. Timeliness of expected completion dates 0-5 points
- B. Qualifications of staff** 0-25 points
- C. Cost\*** 0-25 points
- D. Technical experience** of the firm 0-20 points
- E. Size and structure** of the firm 0-5 points

*\* Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all the other evaluation criteria are relatively equal. If there is reason to believe that an unreasonably low proposal has been made, it will be rejected. One method of measuring reasonableness is to divide the proposed cost by a reasonable average hourly rate to show hours of effort that might be expected.*

