

 <p>EXCELLENCE INNOVATION RESULTS</p> <p>SOUTH CAROLINA PUBLIC CHARTER SCHOOL DISTRICT</p>	SC Public Charter School District Request for Proposals	Solicitation #	2021-02
		Date Issued	April 30, 2021
		Director of Financial Services	Nick Michael
		Phone	(803) 806-9002
		E-Mail Address	nmichael@sccharter.org

DESCRIPTION	Audit Services
-------------	----------------

SUBMIT OFFER BY	June 1, 2021 3:00 pm
QUESTIONS MUST BE RECEIVED BY	May 25, 2021 5:00 pm
NUMBER OF COPIES TO BE SUBMITTED	1 original and 5 copies

The Term "Offer" Means Your "Bid" or "Proposal"

Offers must be submitted in a sealed package. Solicitation number & Opening Date must appear on package exterior.

SUBMIT YOUR SEALED OFFER TO:

SC Public Charter School District
Attn: Nick Michael
3710 Landmark Drive, Suite 201
Columbia, SC 29204

CONFERENCE TYPE: Pre-bid Conference DATE & TIME: (EST) As appropriate, see "Conferences - Pre-Bid/Proposal" & "Site Visit" provisions	LOCATION: Not Applicable
---	---------------------------------

AWARD & AMENDMENTS	The award, this solicitation, and any amendments will be posted at the following web address: https://sites.google.com/sccharter.org/financeresources/procurement
-------------------------------	--

You must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of sixty (60) calendar days after the Opening Date.

NAME OF OFFEROR (Full legal name of business submitting the offer)		OFFEROR'S TYPE OF ENTITY: (Check one) <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation (tax-exempt) <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Government entity (federal, state, or local) <input type="checkbox"/> Other _____ (See "Signing Your Offer" provision.)
AUTHORIZED SIGNATURE (Person signing must be authorized to submit binding offer to enter contract on behalf of Offeror named above.)		
TITLE (Business title of person signing above)		
PRINTED NAME (Printed name of person signing above)	DATE SIGNED	

Instructions regarding Offeror's name: Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror above. The entity named as the Offeror **must** be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, *i.e.*, a separate corporation, partnership, sole proprietorship, etc.

STATE OF INCORPORATION (If Offeror is a corporation, identify the state of Incorporation.)	TAXPAYER IDENTIFICATION NO.
---	-----------------------------

COVER PAGE

PAGE TWO
(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for Offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.)								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Area Code:</td> <td style="width: 25%;">Number:</td> <td style="width: 25%;">Extension:</td> <td style="width: 25%;">Facsimile:</td> </tr> <tr> <td style="height: 20px;"></td> <td></td> <td></td> <td></td> </tr> </table>	Area Code:	Number:	Extension:	Facsimile:				
Area Code:	Number:	Extension:	Facsimile:						
	E-Mail Address:								
PAYMENT ADDRESS (Address to which payments will be sent.)	ORDER ADDRESS (Address to which purchase orders will be sent)								
<input type="checkbox"/> Payment Address same as Home Office Address <input type="checkbox"/> Payment Address same as Notice Address (check only one)	Order E-Mail Address:								
	<input type="checkbox"/> Order Address same as Home Office Address <input type="checkbox"/> Order Address same as Notice Address (check only one)								

ACKNOWLEDGMENT OF AMENDMENTS: Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue.

Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

DISCOUNT FOR PROMPT PAYMENT	10 Calendar Days (%)	20 Calendar Days(%)	30 Calendar Days (%)	_____Calendar Days (%)
	_____	_____	_____	

MINORITY PARTICIPATION

Please answer the following question:

1. Are you certified as a MOB/WOB (minority-owned business/woman-owned business) by the State of South Carolina? Yes No
 If yes, provide certification number: _____.

REQUEST FOR PROPOSAL FOR AUDIT SERVICES

SOUTH CAROLINA PUBLIC CHARTER SCHOOL DISTRICT

South Carolina Public Charter School District (the District) recognizes its fiscal responsibility to appropriately receipt and expend public funds available for the education of our citizens. In order to fulfill this responsibility, we are presenting this request for proposals for audit services of fiscal year 2020-2021 (with renewal available for fiscal years 2021-2022 and 2022-2023) for your consideration and response.

INSTRUCTIONS TO BIDDER

The deadline for submission of proposals is 3:00 p.m. local time, Monday, June 1, 2021. Five (5) copies of your proposal are required and should be delivered or addressed to Nick Michael, Director of Financial Services, South Carolina Public Charter School District, 3710 Landmark Drive, Suite 210, Columbia, South Carolina 29204. Please indicate on the envelope of the sealed bid that a "Proposal for Audit Services" is enclosed. The sealed bids will be opened promptly at 3:01 p.m. in the Conference Room. Any proposals received later than the specified time will not be considered and will be returned unopened to the offeror regardless of when it was mailed. No consideration of bid award will be made at the opening. Evaluation of each bid will be made as soon as possible with the award contingent upon approval of the South Carolina Public Charter School District Board of Trustees. The District reserves the right to reject any or all proposals or to cancel this request in its entirety. All proposals will be treated as public information unless it is specifically requested that portions of the bid be treated as Trade Secrets under the Freedom of Information Act.

Any questions relating to this proposal must be submitted via e-mail to nmichael@sccharter.org through May 18, 2021. If an email response verifying receipt of request is not received within 24 hours, please call Nick Michael at 803-806-9002. A listing of questions and answers will be supplied to all bidders upon request.

The 2020-2021 fiscal year is the year to be audited under this contract. The District may cancel the contract at any time if the event services prove to be unsatisfactory. The District reserves the option to renew the contract for two additional years, in increments of one year, under the same terms, charges, and conditions as contained in the original contract. However, this contract will not extend beyond the 2024-2025 audited year. Contract renewals are subject to availability of fiscal year funds and satisfactory performance. In case of duplicate, similar, or equal proposals, the decision of South Carolina Public Charter School District County School District will be final. The District reserves the right to conduct pre-contract negotiations with any or all potential proposers.

Evaluation considerations will include the following:

- Comprehensiveness of audit work plan.
- Reasonableness of time estimates.
- Timeliness of expected completion.
- Technical experience of the Firm.
- Qualifications of Staff.
- Cost. (Cost will be given more importance when all other factors are relatively equal)

REQUEST FOR AUDIT SERVICES

General requirements:

1. The District requires an audit of its total financial program. The following information is related to the 2019-2020 financial statements.

Expenditures for fiscal year 2019-2020 were as follows:

General Fund	\$ 97,416,297
Special Revenue - Special Projects	\$ 9,670,179
Special Revenue - EIA	\$ 94,281,255

2. The South Carolina Public Charter School District currently has an Average Daily Membership of 18,796 students enrolled in thirty-three (33) schools, thirty-two (32) brick and mortar and one (1) virtual. Each school provides a separate annual audit. The District is funded by two (2) percent of State funds flowing to the schools plus any federal dollars needed for managing federal sources. In fiscal year ending June 30, 2020, state sources totaled \$194.3 million and federal sources totaled \$6.6 million.
3. Funding Sources – The primary sources of funding for the District are the State of South Carolina which provides approximately 96% of the revenue. The remaining 4% is provided by the federal government.
4. Schools are eligible to receive federal funding. The Auditor is expected to review the award procedures and conduct testing at the District and school level, as deemed necessary, in order to issue an opinion on compliance for the District’s Schedule of Federal Awards.
5. Funds Operated – The District accounts for three (3) major funds or fund groups:
 - a. General Fund
 - b. Special Projects Fund
 - c. Education Improvement Act
6. The District requires a financial and compliance audit. Specifically, the reporting method will be the “single audit concept” as detailed in the Single Audit Act of 1984, Public Law 98-502, OMB Circular A-133, the reporting requirements established by the Government Finance Officer Association of the United States (GFOA) and the Association of School Business Officials International (ASBO) Certificate program, and the South Carolina Department of Education’s (SDE) Audit Guidelines. The financial statements must also be in compliance with GASB 34. A copy of the SDE’s Audit Guidelines can be obtained from the South Carolina Department of Education, Office of School District Auditing, 1429 Senate Street, Room 406, Columbia, South Carolina, 29201, or from their website at <https://ed.sc.gov/finance/auditing/manuals-handbooksand-guidelines/annual-audit-guide-and-lars-template/fy-2018-2019/audit-requirements-financialstatements-and-supplemental-schedules/> -telephone (803) 734-8180.
7. Your proposal should address the fiscal years ending June 30, 2021, June 30, 2022, and June 30, 2023.

Assistance available to proposer:

1. The Financial Services Staff will be available to prepare schedules on a reasonable basis. The staff generally will pull requested documents. Computer equipment and the District's financial software will be available for auditing purposes. The Chief Financial Officer will be available to coordinate any audit work.
2. All primary accounting records are maintained in the Financial Services Department.

Report requirements:

1. All reports should be addressed to the Honorable Chairman and Members of the Board of Trustees of South Carolina Public Charter School District.
2. Prepare all required and supplemental schedules and statements to include all detail/combining schedules as prescribed by the SDE, footnotes, statistical section, and to advise, as necessary, on related accounting and reporting concerns.
3. Prepare all necessary statements and schedules in accordance with GASB 34. It is expected that the firm will have experienced and adequate staff available to meet the changes that have been brought forth by GASB 34.
4. Provide an official opinion on compliance with applicable regulations (This is specifically discussed in the State Audit Guide). The report of the examination of the general-purpose financial statements must state the scope of the examination and that the financial audit was performed in accordance with generally accepted auditing standards.
5. Submit a separate submission of the Excel template for the blended South Carolina Department of Education Supplemental Schedules for each fund type.
6. Include a Schedule of Expenditures of Federal Awards, as called for in OMB Circular A-133. The Schedule of Expenditures of Federal Awards must list by federal funding source each grant's sub fund code, federal grantor/pass through grantor program title, federal CFDA number, pass through grantor's number, and expenditures. The single audit section will contain the appropriate independent auditor's reports as required by OMB Circular A-133.
7. The auditor should be available to provide accounting expertise as needed to the District staff.
8. Assist the District in preparing the Management's Discussion and Analysis (MD&A).
9. The audit work must be performed in accordance with generally accepted auditing standards as established by the American Institute of Certified Public Accountants and generally accepted government auditing standards as established by the United States General Accounting Office, Comptroller General of the United States.

10. The reports must include School District comments and responses on all exceptions detailed in published reports.

Time Considerations:

1. All proposals must be submitted to South Carolina Public Charter School District not later than 3:00 p.m. Monday, June 1, 2021.
2. The District may elect to interview representatives from selected firms.
3. The contract should be awarded no later than June 17, 2021.
4. The District's financial books will be available for interim audit fieldwork.
5. Not later than November 15, an exit conference must be scheduled with the Chief Financial Officer to review a preliminary draft of the Management Letter. The District will be given an opportunity to provide written responses to the comments in the management letter which are to be included in the letter's final draft.
6. Not later than November 15, a preliminary report in draft format must be delivered to the Chief Financial Officer for review by District staff. This report will contain the audit report and will be prepared in conformity with GAAP. (Should the preliminary draft not be delivered by November 15, a penalty will become effective. The penalty will be one half of one percent of the contracted audit fee, per calendar day until delivery).
7. The Board will expect the auditor to make a presentation of the audit to the full Board at a regular scheduled meeting.
8. During the on-site work, periodic briefings should be held with the Chief Financial Officer.
9. When working in an area, an entrance conference, periodic briefings, and exit conference should be held with the Chief Financial Officer.

Contractual arrangements:

1. The 2020-2021 fiscal year is the year to be audited under this contract. Our fiscal year begins July 1 and ends on June 30.
2. The contract may be renewed for up to two additional years. The audits will cover the fiscal year from July 1, 2020 - June 30, 2021 and may be renewed for fiscal years 2021 – 2022 and 2022 –2023. This contract will not be renewed beyond the audit of fiscal year 2024-2025. Contract renewals are subject to the availability of fiscal year funds and satisfactory performance.

INFORMATION TO BE PROVIDED BY THE PROPOSER

Title page:

1. Show the RFP Subject, the name of your firm, address, telephone number, name of contact person and date.

Table of contents:

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

Letter of Transmittal (Limit to one or two pages):

1. Briefly state your understanding of the requested services and make a positive statement of your firm's ability, willingness, and technical competence to perform such services.
2. Please list the person or persons who are authorized to make presentations for your firm, their titles, addresses, and phone numbers.
3. State an all-inclusive fee for which the work will be done.

Profile your firm:

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

Summary of proposer's qualifications:

1. Identify the partner, supervisors and staff who will work on the audit. Resumes for each supervisory person to be assigned to the audit should be included.
2. Please describe your firm's recent audit experience, if any, with public sector clients, especially South Carolina public school districts.
3. Describe the firm's experience and success with the certificate programs of GFOA and ASBO. Include the name of the governmental entity, date of certificate, contact person at the governmental entity, and their telephone number.
4. If other auditors are to participate in the audit, information on those auditors must be provided.

Scope of Financial Audit:

Clearly describe the scope of the required services to be provided. Since the requested services include both an examination of the financial statements and compliance with applicable laws and regulations, define the scope of the services to be provided in terms of the matters discussed in the following subsections.

1. Financial Audit. State that the examination will be made in accordance with generally accepted auditing standards.

2. Compliance Audit. State that in accordance with generally accepted auditing standards, the proposer will select the necessary procedures to test compliance and express an opinion regarding compliance with specified laws, regulations, and contracts.
3. GASB 34 Compliance. The District was required to implement Governmental Accounting Standards Board Statement No. 34 (GASB 34) during the 2002-2003 fiscal year and all subsequent years. Assistance in preparing all necessary statements and schedules in accordance with GASB 34 will be part of the audit contract. It is expected that the firm will have experienced and adequate staff available to meet the changes that have been brought forth by GASB 34. The District fully expects the successful proposer to prepare all required and supplemental schedules and to advise, as necessary, on related accounting and reporting concerns.

Approach to the examination:

1. Submit a work plan to accomplish the scope defined above. The work plan should include time estimates for each significant segment of the work and staff level to be assigned. Where possible, individual staff members should be named, and their titles provided. The planned use of specialists should be specified. The audit work plan should demonstrate the auditor's understanding of the audit requirements.

Compensation:

1. Provide details of the estimated total work hours, travel hours and hourly rate for each staff classification, estimated out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done. Charter schools are added to the District each year, so it is suggested that a fee for the District as it currently stands be submitted and any additional fees on a per school basis for new schools added to the District. Each of the added schools will have their own separate audit conducted by their own auditors. Additional fees are for the complexity of adding new schools to the District as a sponsor. The fee must clearly describe the method of calculation.
2. List the average hourly rate of the firm. Adjustments may be negotiated for changes in South Carolina or federal requirements or for services in addition to the base audit. These adjustments will be billed at the average hourly rate proposed by the firm. The Chief Financial Officer will approve these prior to the performing of services.

Additional Information:

Provide answers to the following questions.

1. What are the advantages of using your accounting firm?
2. What is the range of management and other consulting services you can offer without affecting your independence?
3. What type of support services (newsletter, industry programs, etc.) and informative consultation can your firm provide us?
4. Is your firm independent of the District?

5. Does your firm have a record of substandard work? Provide information on 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. How can your firm help the District improve its financial performance?

All offertories must visibly mark as “Confidential” each part of their proposal, which they consider containing proprietary information.

EVALUATION OF PROPOSALS

The district reserves the right to reject any and all proposals submitted and to request additional information from proposers. The award will be made to the firm which, in the opinion of the District, is the best qualified.

Evaluation considerations will include the following:

Mandatory Criteria

1. Affirm the proposer is a properly licensed certified public accountant, or a licensed public accountant.
2. Affirm that the proposer meets the independence standards of the GAO’s Government Auditing Standards, Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (1988 Revision) by the Comptroller General of the United States.
3. Affirm that the proposer does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap.
4. Affirm that the proposer does not have a record of substandard audit work.
5. Affirm that the audit field work will be completed, and a preliminary draft of the report provided to the Chief Financial Officer by November 15.

Technical Factors:

Responses to the proposal must clearly state an understanding of the work to be performed. As a result, evaluators will consider:

1. Comprehensiveness of audit work plan
2. Reasonableness of time estimates
3. Experience with school district audits and comprehensive financial reports
4. Technical experience of the firm
5. Qualifications of Staff

6. Location of the firm and its branches
7. Cost. While not a sole factor, cost will be given more importance when all other factors are relatively equal. Any offer that is unclear as to the total annual cost to the District shall be rejected. For evaluation purposes, costs must be provided in the format shown in Exhibit A.

CONTRACTUAL ARRANGEMENTS

The proposal must specify the maximum fee applicable to the audit of the financial statements for each of the three years under consideration. The District will issue an award letter to the successful proposer. The award letter will specify the maximum fee to be paid by the District for performance of the proposed audit as set forth in the successful proposal and will be for the fiscal year ended June 30, 2021. The contract may be renewed for the succeeding fiscal years ended June 30, 2022 and 2023. The award shall not exceed three (3) audit years. Any expansion of services beyond the maximum fee of the audit must have the proper written approval of the Chief Financial Officer.

OTHER-WORKING PAPERS

The successful proposer shall retain working papers for five (5) years. The working papers must be made available for examination by representatives of the State Department of Education, the State Auditor’s Offices, and other District Auditors. In addition, the successful proposer must make all working papers physically available at the audit site to the auditor who audits the subsequent contract period.

EXHIBIT A

COST PROPOSAL FOR FINANCIAL AUDIT

Any offer that is unclear as to the total annual cost to the district shall be rejected. For evaluation purposes, costs must be provided in the following format:

OFFER COST NOT TO EXCEED

1st year: 2020-2021 \$ _____
 2nd year: 2021-2022 \$ _____
 3rd year: 2022-2023 \$ _____
 TOTAL for (3) years \$ _____