



**REQUEST FOR PROPOSALS
FOR
AUDIT SERVICES**

GENERAL INFORMATION

The requestor is:

Appalachian Council of Governments (ACOG)
30 Century Circle
Greenville, SC 29607

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

Donald Zimmer, Finance Director
Appalachian Council of Governments
30 Century Circle
Greenville, SC 29607
(864) 241-4630
dzimmer@scacog.org

To qualify for consideration, three 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, February 15, 2019**. The proposal should be addressed to Donald Zimmer at the above address. Late proposals will be rejected as not meeting the mandatory RFP requirements. Proposals should comply strictly to the required format.

Proposals will be opened **Monday, February 18, 2019, 9:30 a.m.**, at the ACOG's Finance Department, 30 Century Circle, Greenville, SC.

All proposals will be the property of ACOG.

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**APPALACHIAN COUNCIL OF GOVERNMENTS
REQUEST FOR PROPOSALS FOR AUDIT SERVICES
RFP# ACOG-2019-3**

I. AGENCY NEEDS

A. Description of Entity and Records to Be Audited

The Appalachian Council of Governments (hereinafter known as ACOG) is a regional council of governments servicing Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg Counties of South Carolina. The annual operating budget is \$4.2 million and pass-through funds total \$6.6 million. About \$6.7 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 South Carolina Department on Aging. About \$2.4 million is received from the US Department of Labor for the administration of programs authorized by the Workforce Innovation and Opportunity Act.

B. Nature of Services Required

Each proposal must address itself to the conduct of an examination and an expression of an opinion upon ACOG's financial statements for each year represented by this request including financial and compliance audits of ACOG's books and records for the fiscal years ending June 30, 2019, 2020, and 2021. The examination must be performed in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

C. Assistance Available to Proposer

ACOG'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 audit book as well as the financial statements.

D. Report Requirements

The document submitted for ACOG 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. Fifty copies of ACOG's audit must be received no later than November 30 each year. The report will be presented at the ACOG December board meeting.

F. Contractual Arrangements

The contract shall run for a period of three years, beginning with ACOG fiscal year ending June 30, 2019, 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 ACOG.

H. Right of Rejection

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

II. FORMAT REQUIREMENTS

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. Proposer'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.

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- 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.

IV. EVALUATION OF PROPOSALS

The following factors will be considered by ACOG 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.*