



## **REQUEST FOR PROPOSAL**

RFP NUMBER: 10-12

ISSUE DATE: January 27, 2010

OPENING DATE: Wednesday, February 17, 2010 OPENING TIME: 3:00 P.M.

PROCUREMENT FOR: **PROFESSIONAL AUDITING SERVICES**

Subject to the conditions, provisions and the enclosed specifications, sealed proposals will be received at the location and time stated herein and will be publicly opened and read.

**MAILING ADDRESS:**

Hampton County  
201 Jackson Avenue West  
Hampton, SC 29924  
Attn: Finance Director

**OPENING /STREET ADDRESS:**

Council Chambers  
B. T. DeLoach Admin Building  
201 Jackson Avenue West  
Hampton, SC 29924

**OFFEROR NOTE:**

**•RFP NUMBER & TITLE MUST BE SHOWN ON OUTSIDE OF THE PACKAGE**

DIRECT INQUIRES TO: Michael S. Meyer, C.P.A., Finance/Human Resource Director  
Telephone: (803) 914-2110  
Fax: (803) 914-2107  
E-mail: mmeyer@hamptoncountysc.org

This solicitation does not commit the County of Hampton to award a contract, to pay any cost incurred in the preparation of the RFP, or to procure or contract for goods or services. It is the responsibility of each offeror to see that the Hampton County Finance Office receives the RFP on or before the date and time specified for the opening. No RFP will be accepted thereafter. The County assumes no responsibility for delivery of documents that are mailed. Hampton County reserves the right to reject any or all RFPs and to waive any informalities and technicalities in the selection process.



COUNTY OF HAMPTON

REQUEST FOR PROPOSAL, #10-12

FOR

PROFESSIONAL AUDITING SERVICES

Fiscal Year Ended June 30, 2010  
And Two Subsequent Years

201 Jackson Avenue West  
Hampton, South Carolina 29924

**COUNTY OF HAMPTON**  
**Request For Proposal #10-12**  
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**Request For Proposal #10-12**  
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# COUNTY OF HAMPTON

## Request For Proposal

### I. INTRODUCTION

#### A. General Information

The County of Hampton is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2010, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the provisions of Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the federal Single Audit Act Amendments of 1996, and U .S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*.

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

**To be considered, three (3) copies of the proposal must be received by Mike Meyer at 201 Jackson Avenue West, Hampton, SC 29924 by 3:00 P.M. on Wednesday, February 17, 2010.** The County of Hampton reserves the right to reject any or all proposals submitted. An Audit Proposal Review Committee selected by the County Administrator will evaluate proposals submitted.

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

The County of Hampton 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 of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County of Hampton and the firm selected.

It is anticipated the selection of a firm will be completed by March 2, 2010. Following the notification of the selected firm it is expected a contract (or "engagement letter") will be executed between both parties by March 12, 2010.

#### B. Term of Engagement

A three-year contract is contemplated, subject to annual review and recommendation, the satisfactory negotiation of terms (including a price acceptable to both parties), the concurrence of County Council and the annual availability of an appropriation.

#### C. Subcontracting

Following the award of the audit contract, no subcontracting will be allowed without the express prior written consent of the County of Hampton.

## **II. NATURE OF SERVICES REQUIRED**

### **A. General**

The County of Hampton is soliciting the services of qualified firms of certified public accountants to audit its basic financial statements for the fiscal year ending June 30, 2010, with the option to audit the County's basic financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposal.

### **B. Scope of Work to be Performed**

The County of Hampton desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

### **C. Auditing Standards To Be Followed**

To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards, the provisions of Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the federal Single Audit Act Amendments of 1996, and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*.

### **D. Reports to be Issued**

Following the completion of the audit of the financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on compliance and on internal control over financial reporting based on the audit of the basic financial statements.
3. A report on compliance with requirements applicable to each major federal assistance program and internal control over compliance with OMB Circular A-133.

In the required reports on compliance and internal control, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined 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 reports.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the County Council, County Administrator and Finance Director.

## **E. 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 County of Hampton 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:

- County of Hampton
- U.S. General Accounting Office (GAO)
- Parties designated by the federal or state governments or by the County of Hampton as part of an audit or quality review process
- Auditors of entities of which the County of Hampton is a 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.

## **III. DESCRIPTION OF THE GOVERNMENT**

### **A. Name of Contact Person/Organizational Chart/Key Personnel**

The auditor's principal contact with the County of Hampton will be Mike Meyer, Finance/Human Resource Director, or a designated representative, who will coordinate the assistance to be provided by the County to the auditor.

An organizational chart and a list of the County's key personnel are attached as Appendix A and Appendix B, respectively.

### **B. Background Information**

The County of Hampton serves an area of approximately 562 square miles with a population of just over 21,386. The County of Hampton's fiscal year begins on July 1 and ends on June 30.

The County of Hampton provides the following services to its citizens

- General Government
  - Administration
  - Council
  - Voters Registration
  - Election Commission
  - Risk Management
  - Information Technology
  - Other Administration
- Public Buildings
  - Buildings
- Finance
  - Finance Department
  - Tax Collector
  - Assessor
  - Auditor
  - Treasurer
- Public Works
  - Maintenance Shop
  - Roads & Bridges

- Sanitation
  - Codes Enforcement
  - Landfill
  - Recycling/Garbage
- Economic Development
- Emergency Services
  - EMS
  - Emergency Preparedness
  - Central Dispatch
- Codes and Law Enforcement
  - Jail
  - Sheriff
  - Coroner
  - Building Inspector
- Courts
  - Magistrate
  - Probate Judge
  - Clerk of Court
  - Family Court
  - Circuit Court
- Recreation Department
- Health, Education and Welfare
  - Agency Appropriation
  - Department of Social Services
  - Veterans Affairs
  - Health Department
  - Soil & Water

The County of Hampton has a total payroll of approximately \$7.5 million covering 226 employees. Accounting and finance functions of the County of Hampton are centralized at the Administrative Office Building.

More detailed information on the government and its finances can be found in the County's annual budget document and Annual Financial Report. These documents are available for review at the Administrative Office Building or can be obtained by contacting Mike Meyer at (803) 914-2110.

### **C. Fund Structure**

The County of Hampton uses the following fund types and account groups in its financial reporting:

#### ***Governmental Fund Types***

General Fund

Special Revenue Funds (include)

- Farmers Market
- Fire District
- Fire Bond Fund
- Clerk of Court IV-D
- Resource Officer
- Sheriff Fund
- Registration Board
- Waste Tire
- Council on Aging
- E-911 Fund
- Crime Victim Services
- Sheriff's Drug Funds

County Transportation Committee (CTC)  
Airport Commission  
Grants Funds  
Miscellaneous Grants  
Traffic Enforcement Grant  
Gang Enforcement Grant

Capital Projects Funds  
Capital Improvements Fund  
Local Option Special Purpose Fund

Economic Development Funds  
Estill Industrial Park  
Lowcountry Regional Industrial Park

***Fiduciary Fund Types***

Agency Funds

**D. Budgetary Basis of Accounting**

The County of Hampton prepares its budgets on a basis consistent with generally accepted accounting principles and legally adopts a budget for the General Fund, and the following special revenue funds: Fire Fund, Clerk of Court IV-D, Council on Aging, E-911, Airport Commission, and the County Transportation Committee.

**E. Federal and State Financial Assistance**

The County of Hampton routinely receives federal and state grant assistance. Grant amounts fluctuate, but would ordinarily be at a level requiring performance of a Single Audit. For the year ending June 30, 2010, a Single Audit is anticipated.

**F. Pension Plans**

The County of Hampton participates in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. Both plans are administered by the State and are classified as multiple-employer cost-sharing public employee retirement systems.

The County of Hampton 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 County of Hampton's financial statements.

**G. Joint Ventures**

The County of Hampton does not participate in joint ventures with other governments.

**H. Magnitude of Finance Operations**

The finance department is headed by Mike Meyer, C.P.A., Finance/Human Resource Director, and consists of 3 additional employees.

**I. Computer System**

The County operating system is Windows XP. The County utilizes Smith Data Processing software for its tax, general ledger and payroll applications.

**J. Internal Audit Function**

Internal audit functions are performed by Finance Department Personnel.

**K. Availability of Prior Audit Reports and Working Papers**

Interested proposers who wish to review prior years' audit reports and management letters should contact Mike Meyer at (803)914-2110. The County of Hampton will use its best efforts to make supporting working papers and schedules prepared by County staff available to proposers to aid their response to this request for proposal.

**IV. TIME REQUIREMENTS**

**A. Proposal Calendar**

The following is a list of key dates up to and including the date a contract will be signed:

Request for proposal issued	January 27, 2010
Due date for proposals	February 17, 2010
Audit Proposal Review Committee meets	February 19, 2010
County Council selects firm	March 1, 2010
Selected firm notified	March 2, 2010
Contract date	March 12, 2010

**B. Schedule for the June 30, 2010 Fiscal Year Audit**

A similar time schedule will be developed for audits of future fiscal years if options are exercised for additional audits.

1. Entrance Conference

An entrance conference with the Finance Director and key finance department personnel is requested as soon as possible after signing a contract. The purpose of this meeting will be to discuss prior audit routines and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the auditor.

2. Interim Work

The firm may commence interim audit work immediately after a contract is signed and an entrance conference is held.

### 3. Audit Plan

The auditor shall provide to the County of Hampton by March 30, 2010, an overview of audit work to be performed and anticipated completion dates for major segments of the work. The auditor shall also at that time provide a list of all schedules to be prepared by the County of Hampton. By approximately October 15, 2010 the County will have closed and balanced all accounts and prepared supporting schedules as necessary.

### 4. Progress Reporting

Conferences should be held weekly with the Finance Director, key finance department personnel and, when necessary, other department heads during the performance of the audit to report work progress, review problems identified, revise audit plans and time schedules, or discuss any other matters that may be relevant to the engagement.

### 5. Fieldwork

The auditor shall complete all fieldwork by November 19, 2010.

### 6. Exit Conference

An exit conference shall be conducted no later than December 3, 2010 with the Finance Director and County Administrator to summarize the results of the field work, to review significant findings, and to review drafts of all reports to be issued by the auditor.

## **C. Date Final Report is Due**

The Audit Firm shall prepare and provide a draft of the financial statements, notes and all required supplementary schedules and statistical data to the Finance Director by December 3, 2010. By December 10, 2010, the Finance Director shall provide all recommended changes to the Audit Firm. The Audit Firm will make any changes that may be necessary to the financial statements by December 17, 2010. Final audit reports should be submitted at that time.

## **V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

### **A. 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. However, clerical support will be made available to the auditor to assist with typing confirmations, routine letters and various memoranda. County of Hampton personnel will also pull invoices, minutes of Council meetings and other supporting documentation as needed and will make copies of pertinent materials for the auditors.

### **B. Electronic Data Processing (EDP) Assistance**

Personnel will be available to provide systems documentation and explanations. Access to available electronic data will be provided as needed.

### **C. Schedules to be Prepared by the Staff of the County of Hampton**

The staff of County of Hampton will prepare supporting schedules for the auditor as needed. The exact format and content of such schedules will be determined during the initial stages of the audit process.

#### **D. Work Area, Telephones, Photocopying and FAX Machines**

The County of Hampton will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and fax machines.

#### **E. Report Preparation**

Report preparation, duplication, and editing shall be the responsibility of the Audit firm.

### **VI. PROPOSAL REQUIREMENTS**

#### **A. General Requirements**

##### **1. Inquiries**

Inquiries concerning the request for proposal should be directed to:

Michael S. Meyer, C.P.A, Finance/Human Resource Director  
County of Hampton  
201 Jackson Avenue West  
Hampton, SC 29924  
(803) 914-2110  
[mmeyer@hamptoncountysc.org](mailto:mmeyer@hamptoncountysc.org)

CONTACT WITH PERSONNEL OF THE COUNTY OF HAMPTON OTHER THAN MIKE MEYER REGARDING THIS REQUEST FOR PROPOSAL MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

##### **2. Submission of Proposals**

The following material must be received by 3:00 P.M. on February 17, 2010 for a proposing firm to be considered:

- a. The proposer shall submit three (3) copies of a Technical Proposal in a separate sealed envelope marked as follows:*

**RFP #10-12  
PROFESSIONAL AUDITING SERVICES  
FISCAL YEAR ENDING JUNE 30, 2010**

The Technical Proposal shall include the following:

i. Title Page

Title page must show the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. 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 allotted

time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty (60) days.

iv. Detailed Proposal

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

- b. *The proposer shall submit three (3) copies of a dollar cost bid proposal in a separate sealed envelope marked as follows:*

DOLLAR COST BID PROPOSAL  
FOR  
COUNTY OF HAMPTON  
FOR  
PROFESSIONAL AUDITING SERVICES  
FISCAL YEAR ENDING JUNE 30, 2010

The dollar cost bid proposal shall follow the order set forth in Section VI-C of this request for proposal.

- c. *Proposers shall send the completed proposal consisting of the two separate envelopes to the following address:*

**AUDIT PROPOSAL #10-12**  
Attention: Mike Meyer, C.P.A.  
Finance/Human Resource Director  
County of Hampton  
201 Jackson Avenue West  
Hampton, SC 29924

**B. Technical Proposal**

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to perform an independent audit of the financial statements of the County of Hampton 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 proposal requirements.

**THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.**

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, items Nos. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated.

## 2. Independence

The firm should provide an affirmative statement that it is independent of the County of Hampton as defined by generally accepted auditing standards and the current U.S. General Accounting Office's *Government Auditing Standards*.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the County of Hampton or any of its employees for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit(s).

In addition, the firm shall give the County of Hampton written notice of any professional relationships that may be entered into during the period of this agreement.

## 3. License to Practice in South Carolina

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

## 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 so 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 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.

## 5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, and other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is licensed to practice as a Certified Public Accountant in South Carolina. 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.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Specifically include their experience with governmental accounting and auditing. Please also indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel 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 County of Hampton. However, in either case, the County of Hampton 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 County of Hampton, which retains the right to approve or reject replacements.

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

#### 6. 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 ten) 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 the name and telephone number of the principal client contact.

#### 7. 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. In developing the work plan, reference should be made to such sources of information as the County of Hampton's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

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

#### 8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from the County of Hampton.

## 9. Report Format

The proposal should include sample formats for required reports.

### **NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL**

## **C. Sealed Dollar Cost Bid**

### 1. Total All-Inclusive Maximum Price

The sealed 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 to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

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

The first page of the sealed dollar cost bid should include the following information:

- a. Name of Firm
  - b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the County of Hampton.
  - c. Total All-Inclusive Maximum Price for the June 30, 2010, year-end engagement.
  - d. A Total All-Inclusive Maximum Price for each of the subsequent two years of the contemplated engagement.
- ### 2. Summary of Projected Hours and Billing Rates for Engagement Personnel and Out-of-Pocket Expenses

The second page of the sealed dollar cost bid proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix B) that supports the total all-inclusive maximum price.

### 3. Rates for Additional Professional Services

If it should become necessary for County of Hampton to request the auditor to render any additional services to either supplement the services requested in this RFP 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 County of Hampton and the audit firm. Any such additional work agreed to between the County of Hampton and the audit firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

### 4. 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 cost bid proposal. Interim billing shall cover a period of not less than a calendar month.

## **VII. EVALUATION PROCEDURES**

### **A. Audit Committee**

Proposals submitted will be evaluated by an Audit Proposal Review Committee selected by the Administrator.

### **B. Review of Proposals**

The Audit Proposal Review Committee will use a point formula during the review process to score proposals. Each member of the Audit Proposal Review Committee will first score each technical proposal by each of the Criteria described in Section VII-C below. The full Audit Proposal Review Committee will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. At this point, firms with an unacceptably low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, the sealed dollar cost bid will be opened and additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Appropriate fractional scores will be assigned to other proposers.

The County of Hampton reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

### **C. 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 following represent the principal selection criteria that will be considered during the evaluation process.

#### **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 County of Hampton.
- c. The firm's professional personnel have received adequate continuing professional education within the preceding two (2) years.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
- e. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.

#### **2. *Technical Quality: (Maximum Points - 70)***

- a. Expertise and Experience

- (1) The firm's past experience and performance on comparable government engagements
- (2) The firm's past experience with Single Audits or other audits involving federal and state grant programs
- (3) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation

b. Audit Approach

- (1) Adequacy of proposed staffing plan for various segments of the engagement
- (2) Adequacy of the engagement
- (3) Adequacy of sampling techniques
- (4) Adequacy of analytical procedures

**3. Price: (Maximum Points - 30)**

**COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM**

**D. Oral Presentations**

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

**E. Final Selection**

The County Council will select a firm based upon the recommendation of the Audit Proposal Review Committee.

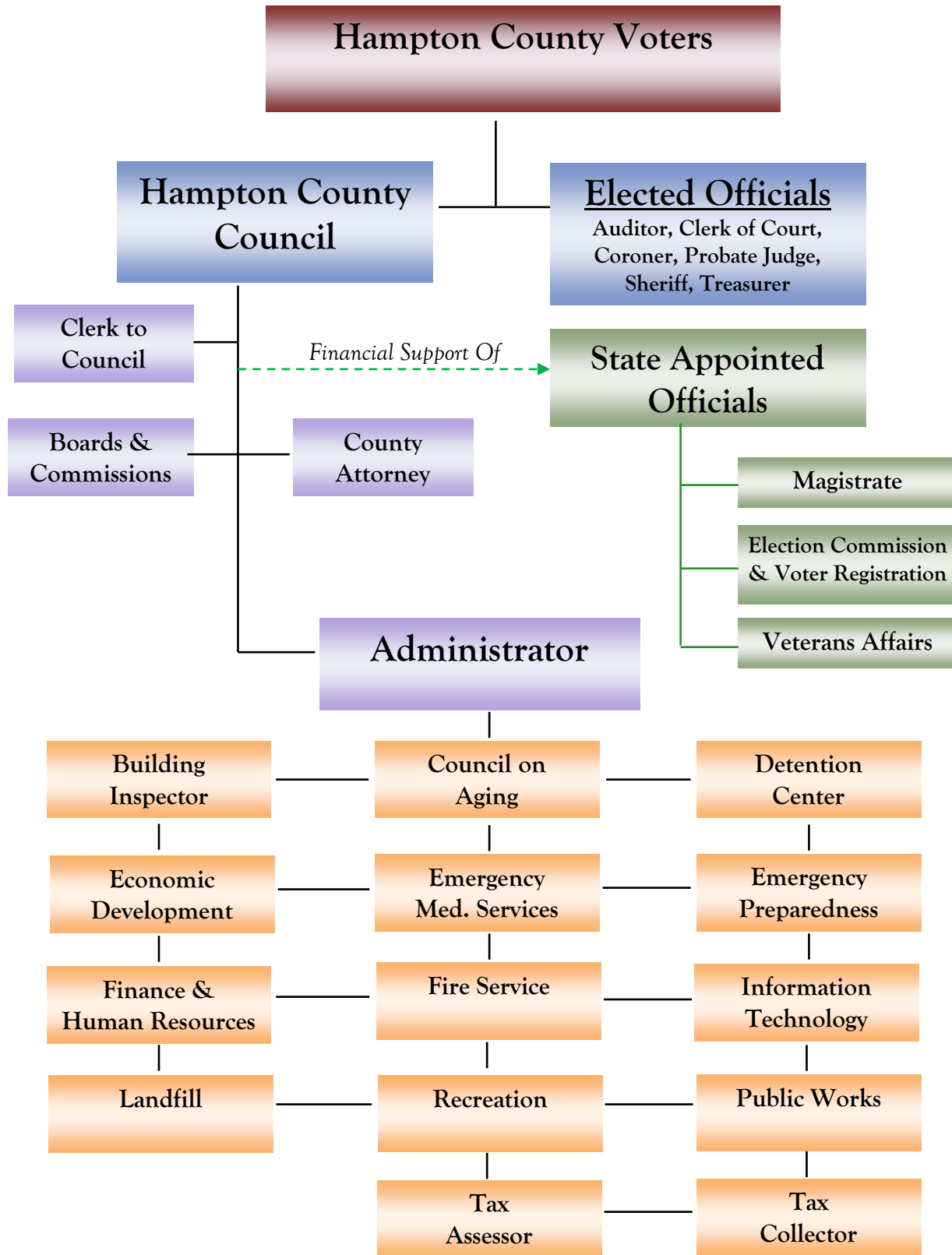
It is anticipated that a firm will be selected by March 1, 2010. Following notification of the firm selected, it is expected a contract will be executed between both parties by March 12, 2010.

**F. Right to Reject Proposals**

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

The County of Hampton reserves the right without prejudice to reject any or all proposals.

# Appendix A



# Appendix B

## HAMPTON COUNTY, SOUTH CAROLINA County Key Personnel

*Fiscal Year 2010*

### ***MEMBERS OF COUNTY COUNCIL***

Hugh Gray	Chairman
Margaret Parker	Vice-Chairman
Christopher Haulsee	Councilman
Virgin Johnson, Sr.	Councilman
Charles Phillips	Councilman

### ***ELECTED & APPOINTED OFFICIALS***

Teresa Williams	Auditor
Carolyn Williams	Chief Magistrate
My linda Nettles	Clerk of Court
A.G. Solomons, Jr.	County Attorney
Gordon Rhoden	Coroner
Sheila Odom	Probate Judge
Thomas Smalls	Sheriff
Wilson Tuten	Treasurer
Betty Hodges	Veterans Affairs Officer
Debra Bryant	Voter Registration Director

### ***ADMINISTRATIVE OFFICIALS***

Sabrena Graham	County Administrator
Lester Warren	Assessor
Randy Crews	Building Inspector
Ann Ayer	Council on Aging Director
Sandy Fowler	Economic Development Director
Christopher Altman	Emergency Services Director
Gene Rushing	E-911/Fire Chief
Michael Meyer	Finance/Human Resource Director
Kevin Pak	Information Technology
Charlie Grant	Jail Administrator
Blake Hodge	Public Works Director
Victoria Tuten	Recreation Director
Delhia Smith	Tax Collector

# Appendix C

## SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE AUDIT OF THE JUNE 30, 2010 FINANCIAL STATEMENTS

	<u>Hours</u>	<u>Standard Hourly Rate</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
<b><u>Regular Audit:</u></b>				
Partners	_____	\$_____	\$_____	\$_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify):	_____	_____	_____	_____
Subtotal	_____			\$_____
<b><u>Single Audit:</u></b>				
Partners	_____	\$_____	\$_____	\$_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify):	_____	_____	_____	_____
Subtotal	_____			\$_____
<b><u>Out-of-Pocket Expenses:</u></b>				
Meals and lodging				\$_____
Transportation				_____
Other (specify)				_____
Subtotal				\$_____

Total all-inclusive maximum process for Fiscal Year Ending June 30, 2010 audit \$\_\_\_\_\_