

	LIMESTONE CHARTER ASSOCIATION REQUEST FOR PROPOSAL	Solicitation #	2023-2
		Date Issued	2-15-2023
		Association Official	Kelly Richardson
		E-Mail Address	krichardson@limestonecharters.org

DESCRIPTION	AUDIT SERVICES
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The Term "Offer" Means Your "Bid" or "Proposal" or "Quotation"

SUBMIT OFFER BY	March 2, 2023 @ 11:00 AM, EST
QUESTIONS MUST BE RECEIVED BY	February 24, 2023 @ 11:00 AM, EST
NUMBER OF COPIES TO BE SUBMITTED	One (1) Electronic Copy

SUBMIT OFFER ELECTRONICALLY TO:

Limestone Charter Association Director of Finance Attn: Kelly Richardson krichardson@limestonecharters.org
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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 **ninety (90) calendar days** after the Opening Date.

NAME OF OFFEROR: <hr/> AUTHORIZED SIGNATURE: <hr/> TITLE <hr/> PRINTED NAME: DATE SIGNED	OFFERORS TYPE OF ENTITY: (Choose one) <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Tax exempt corporate entity <input type="checkbox"/> Government entity (federal, state, or local) <input type="checkbox"/> Other _____ <small>(See "Signing your Offer" provision)</small>
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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. An offer may be submitted by only one legal entity. 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	
TAXPAYER IDENTIFICATION NO.	

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.) (See "Notice" clause)	
	Phone	
	Fax	
	E-Mail	

PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders" and "Contract Documents" clauses)	
	ORDER FAX #	
<input type="checkbox"/> Payment Address Same as Home Office Address	<input type="checkbox"/> Order Address Same as Home Office Address	
<input type="checkbox"/> Payment Address Same as Notice Address (check only one)	<input type="checkbox"/> Order Address Same as Notice Address (check only one)	

DISCOUNT FOR PROMPT PAYMENT	10 Calendar Days	20 Calendar Days	30 Calendar Days	_____ Calendar Days
	%	%	%	%

MINORITY PARTICIPATION	Are You a South Carolina Certified Minority Vendor? (Yes or No):	
	<input type="text"/>	
	If Yes, South Carolina Certification #	<input type="text"/>
	Are You a Non SC Certified Minority Vendor? (Yes or No):	

INTRODUCTION

Limestone Charter Association, “The Association” was formed in July 2021. Limestone Charter Association becomes the third statewide authorizer in the State of South Carolina. The Limestone Charter Association office is based in Columbia at Limestone University’s Student Service Center located on Arbor Lake Drive inside the Fontaine Business Park. Currently, 3 charter schools began with Limestone Charter Association beginning in the 2022-2023 Fiscal Year and 4 new charter schools will begin in the 2023-2024 Fiscal Year. The Association became an LEA beginning with FY 2022-2023. The mission of the Limestone Charter Association is to “Serve as the cornerstone of charter school authorizing in South Carolina and to facilitate a positive, educational environment that fosters school autonomy through support and oversight to its member schools.” Limestone Charter Association understands its fiscal responsibility to adequately account for public funds, and to be in compliance with all State and Federal regulations that relate to Public Charter Schools. We are currently requesting proposals for audit services for the fiscal year 2022-2023, with the option to renew available for subsequent years.

INSTRUCTIONS TO BIDDER

- The deadline for submission of proposals is **11:00 A.M. local time, Thursday, March 2, 2023**. Email your proposal to **Kelly Richardson, Director of Finance at krichardson@limestonecharters.org** Please indicate on the subject line item **“Proposal for Audit Services, Solicitation”**. The proposals will be opened promptly at 11:00 A.M. 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 award will be made at the opening. Evaluation of each proposal will be made as soon as possible with the award contingent upon approval of the Limestone Charter Association Board of Trustees.
- The Association 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 in writing by email to krichardson@limestonecharters.org by **February 24, 2023 by 11:00 a.m. local time**. An amendment answering the questions will be issued to all firms that have requested proposal documents.
- Limestone Charter Association may cancel the contract at any time in the event services prove to be unsatisfactory.
- Limestone Charter Association reserves the option to renew the contract for five additional years, in increments of one year, under the same terms, charges, and conditions as contained in the original contract. Contract renewals are subject to availability of fiscal year funds and satisfactory performance.
- In case of duplicate, similar, or equal proposals, the decision of Limestone Charter Association will be final.
- Limestone Charter Association reserves the right to conduct pre-contract negotiations with any or all potential proposers.
- Evaluation considerations will include, but may not be limited to, the following:
 - Comprehensiveness of audit work plan.
 - Relative technical experience of the Firm.
 - Cost of providing audit services
 - Relative experience and qualifications of professional Staff.
 - Reasonableness of time estimates.
 - Timeliness of expected completion.

I. REQUEST FOR AUDIT SERVICES

A. General Requirements

1. Limestone Charter Association requires an audit of its total financial program. The following information is related to the 2022-2023 financial statements.

BUDGET PROJECTIONS FOR FISCAL YEAR 2022-2023:

FUND	
General Fund	\$18,817,907
Special Revenue – Special Projects	\$931,832
Special Revenue – EIA	\$3,200,000
Debt Service	\$0
Capital Projects	\$0
Proprietary Funds	\$0
Fiduciary Funds	\$0
TOTAL	\$22,949,739

2. Your proposal should address the fiscal years ended June 30, 2023, June 30, 2024, and June 30, 2025.
3. This solicitation does not commit Limestone Charter Association to award a contract, to pay any costs incurred in the preparation of the proposal, or to procure any goods or services.

B. Description of Limestone Charter Association:

Background

Limestone Charter Association officially became an LEA in the FY 2022-2023 and currently has 3 schools that transferred in FY 2022-2023. Those 3 schools currently service approximately 1,900 students. 4 additional schools, currently in the Implementation Phase, will begin in FY 2023-2024, and one currently in Implementation Phase will begin in FY 2024-2025. We do anticipate additional schools to open in subsequent years. Transfer schools are unknown at this time.

Political Information

The Limestone Charter Association Board of Trustees is a seven-member body made up of the President of Limestone University, multiple Limestone University Board members, as well as community leaders, and the VP of Finance for Limestone University serving as a non-voting member. The Board will act as a guardian of the vision and values of the organization, both currently and in the future. The Board's specific contributions are unique to its oversight role and necessary for proper governance and management.

C. Financial Statement Audit assistance available to proposer:

1. The Finance Staff of Limestone University will be available to prepare schedules on a reasonable basis. The staff generally will provide requested documents. Access to the financial software (Harris School Solutions, SmartFusion) will be available for auditing purposes. The Director of Finance for Limestone University will be available to coordinate any audit work.

D. Financial Statement Audit report requirements:

1. All reports should be addressed to the Chairman and Members of the Board of Trustees of Limestone Charter Association.
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. 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. Submit a separate submission of the Excel template for the blended South Carolina Department of Education Supplemental Schedules for each fund type. 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.
3. The auditor should be available to provide accounting expertise as needed to the Limestone Charter Association staff. Assist the Limestone Charter Association in preparing the Management's Discussion and Analysis (MD&A). 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.

E. Financial Statement Audit Time Considerations:

1. All proposals must be submitted to Limestone Charter Association not later than **11:00 a.m. Thursday, March 2, 2023**.
2. Limestone Charter Association may elect to interview representatives from selected firms.
3. The contract should be awarded no later than March 31, 2023.
4. Limestone Charter Association's financial books will be available for interim audit fieldwork.
5. Not later than November 1, an exit conference must be scheduled with the Superintendent and Director of Finance to review a preliminary draft of the Management Letter. Limestone Charter Association 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 1, a preliminary report in draft format must be delivered to the Director of Finance for review by staff. This report must be in the format to be delivered to the SDE and will be prepared in conformity with GAAP and guidelines established by GFOA for its Certificate of Achievement for Excellence in Financial Reporting and by ASBO for its Certificate of Excellence Program. *(Should the preliminary draft not be delivered by November 1, a penalty may become effective. The penalty will be one half of one percent of the contracted*

audit fee, per calendar day until delivery.) At least seven working days will be provided for Association Officials to review the draft before the final copy is printed.

7. After Limestone Charter Association Officials have reviewed the draft of the financials and made appropriate responses, and the exit conference completed, the audit firm will deliver to Limestone Charter Association:
 - a) An electronic version of the entire audit report in .pdf for uploading to the State Department of Education's (SDE) LEA Audit Reporting System (LARS).
 - b) The completed Excel template of the SDE Supplemental Schedules for each fund type for uploading to the SDE's LARS. The Excel template is provided by the SDE Office of Auditing Services.
 - c) The completed Data Collection Form submitted to the Federal Audit Clearinghouse, as well as a .pdf for uploading to the SDE's LARS.
 - d) Twenty (20) printed and bound copies of the final financial report.
8. The Board will expect the auditor to make a presentation of the audit to the full Board at their regular scheduled meeting following completion.
9. During the on-site work, periodic briefings should be held with Limestone Carter Association's finance staff.

F. Contractual arrangements:

1. The 2022-23 fiscal year is the first 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 four additional years. Contract renewals are subject to the availability of fiscal year funds and satisfactory performance.

G. Termination:

1. Subject to the provisions below, the contract may be terminated for any reason by The Association with a thirty (30) day advance notice in writing to the firm.
 - a) Termination for Convenience: If this contract is terminated or cancelled upon request, and for the convenience of The Association without the required thirty (30) days advance written notice, The Association may negotiate reasonable termination costs, if applicable.
 - b) Termination for Cause: Termination by The Association for cause, default, or negligence on the part of the firm shall be excluded from the foregoing provision. Termination costs, if any, shall not apply. The thirty (30) days advance notice requirement will be waived and the default provisions in this bid should apply.

II. INFORMATION TO BE PROVIDED BY THE PROPOSER

A. Title page:

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

B. Table of contents:

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

C. 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.

D. Profile of 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.

F. 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.
4. Please describe your firm's recent audit experience, if any, with public school systems, with charter schools and with charter school authorizers in the State of South Carolina.
2. If other auditors are to participate in the audit, information on those auditors must be provided.

F. 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.

G. Approach to the examination:

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.

H. Compensation:

1. Estimate the total hours, the estimated out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done. State the hourly rate to be charged for each staff classification. Fees for subsequent years should be included with a firm not-to-exceed amount.
2. Also 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 performance of services.
3. As new schools may be added each year, please detail the method of calculation for the addition each year of new schools. It is suggested that a fee for Limestone Charter Association as it currently stands be submitted and any additional fees on a per school basis for new schools added to Limestone Charter Association, if any. Each charter school under Limestone Charter Association's sponsorship are required to have their own separate audit conducted by their own auditors and this RFP does not include those audits. The additional fees are for the complexity of adding new schools to Limestone Charter Association as a sponsor.

K. 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 Limestone Charter Association and each of its charter schools? If no, please provide detail.
5. When was your firm last peer reviewed and what was the nature of the report rendered?
6. Does your firm have a record of substandard work?
7. How can your firm help the Association improve its financial performance?
8. Provide at least 3 client references, including contact names, addresses and telephone/cell phone numbers.

Firms should submit a copy of its peer review report.

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

III. EVALUATION OF PROPOSALS

The Association 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 Association, is the best qualified.

Evaluation considerations will include the following:

A. Mandatory Criteria

1. Affirm the proposer is a properly licensed certified 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 Director of Finance by November 1.

B. Technical Factors

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

- Comprehensiveness of audit work plan.
- Relative technical experience of the Firm.
- Cost of providing audit services. Any offer that is unclear as to the total annual cost to the Association shall be rejected. For evaluation purposes, costs must be provided in the format shown in Exhibit A.
- Relative experience and qualifications of professional Staff.
- Reasonableness of time estimates.
- Timeliness of expected completion.

IV. CONTRACTUAL ARRANGEMENTS

The proposal must specify the maximum fee applicable to the audit of the financial statements for each of the three fiscal years under consideration.

The Association will issue an award letter to the successful proposer. The award letter will specify the maximum fee to be paid by the Association for performance of the proposed audit as set forth in the successful proposal and will be for the fiscal year ended June 30, 2023.

The contract may be renewed for the 3 succeeding fiscal years ended June 30, 2024 and 2025.

Any expansion of services beyond the maximum fee of the audit must have the proper written approval of the Director of Finance.

V. OTHER

WORKING PAPERS

The successful proposer shall retain working papers for five (5) years. Representatives of the State Department of Education, the State Auditor's Offices, and other Association Auditors must make the working papers available for examination. 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.

Limestone Charter Association's Finance information can be found at this link:

<https://www.limestonecharters.org/programs/finance>

EXHIBIT A

**COST PROPOSAL
SOLICITATION # 2023-2
AUDIT SERVICES**

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

COSTS NOT TO EXCEED THE FOLLOWING:

	FINANCIAL AUDIT	PROCUREMENT AUDIT	AFFILIATE ORGANIZATIONS AUDIT	TOTAL FOR ALL 3 AUDITS
1st Year, FY 2023	\$	\$	\$	\$
2nd Year, FY 2024	\$	\$	\$	\$
3rd Year, FY 2025	\$	\$	\$	\$
TOTAL FOR 3 YEARS	\$	\$	\$	\$

Note: Offerors must furnish on a separate page a detailed cost breakdown that includes the hourly rates of each audit team member, out-of-pocket expenses, etc.