



Darlington County Community Action Agency

904 SOUTH FOURTH STREET
HARTSVILLE, SOUTH CAROLINA 29550

Jacquelyn J. Slayton
Executive Director

Phone: (843) 332-1135
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Jeronell White Bradley
Board of Commissioners Chair

Request for Proposal for Audit Services

For the period

January 1, 2020 to December 31, 2020

Inquiries and proposals should be directed to:

Name: Brandi Samuel
Title: Chief Fiscal Officer
Entity: Darlington County Community Action Agency, Inc.

Address: 904 S. 4th Street Hartsville S.C. 29550
Phone: 843-332-1135
Email: bsamuel@dccaa.net

Deadline for RFP: December 21, 2020 4:30 p.m.

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked with the following information:

Attn: Brandi Samuel
Request for Proposal for Audit Services
904 S. 4th Street
Hartsville S.C. 29550

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General Information

A. Purpose

This Request for Proposal (RFP) is to contract for a financial and compliance audit for the years ending December 31, 2020 and December 31, 2021 for Darlington County Community Action Agency, Inc., hereafter referred to as DCCAA. The proposal includes options for three additional one-year periods.

B. Who May Respond

Only licensed certified public accountants may respond to this RFP.

C. Instructions on Proposal Submission

1. Closing Submission Date: Proposals must be submitted no later than 4:30 p.m. on Monday, December 21, 2020.
2. Inquiries: Inquiries concerning this RFP should be directed to Brandi Samuel at 843-332-1135 ext. 207 or email bsamuel@dcaa.net.
3. Conditions of Proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offeror and will not be reimbursed by DCCAA.

4. Instructions to Prospective Contractors:

Your proposal should be addressed as follows:

Name: Brandi Samuel

Title: Chief Fiscal Officer

Entity: Darlington County Community Action Agency,

Inc. Address: 904 S. 4th Street Hartsville SC 29550

It is important that the Offeror's proposal be submitted in a sealed envelope clearly marked with the following information:

Attn: Brandi Samuel
Request for Proposal for Audit Services
904 S. 4th Street
Hartsville S.C. 29550

5. Electronic or Hard Copy Submissions: Proposals can be submitted electronically to the following e-mail address: bsamuel@dccaa.net by the closing submission date noted above.

Proposals may also be submitted by hard copy to the following mailing address: Darlington County Community Action Agency, Inc. 904 S. 4th Street Hartsville S.C. 29550.

Three copies of the proposal must be submitted.

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Offeror to ensure that the proposal is received by DCCAA by the date and time specified above.

Late proposals will not be considered.

6. Right to Reject: DCCAA reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based on the factors described in this RFP.

7. Small and/or Minority-Owned Businesses: Efforts will be made by DCCAA to utilize small businesses and minority-owned businesses. An Offeror qualifies as a small business firm if it meets the definition of "small business" as established by the Small Business Administration (13 CFR 121.201).

8. Notification of Award:

- It is expected that a decision about selection of the successful audit firm will be made within 8 weeks of the closing date for the receipt of proposals.

D. Description of Entity and Records to Be Audited

DCCAA is a public, nonprofit organization that serves Darlington County, South Carolina. DCCAA has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. We are governed by a 12-member volunteer board of directors. Administrative offices, personnel records, and Financial records are located at 904 S. 4th Street Hartsville S.C. 29550. We have other offices located throughout Darlington County.

DCCAA uses Cane Garden Bayfund accounting software to maintain financial data for the programs that we administer. Our annual budget is approximately \$4,000,000.

DCCAA has seven bank accounts.

DCCAA has a self-funded employee insurance plan that is handled by South Carolina Public Employee Benefit Authority.

Payroll is processed by an outside source, ADP. DCCAA issued 75 W-2s for the 2019 calendar year.

Programs operated at DCCAA will be audited and compliance testing will be conducted to confirm customer eligibility.

E. Options

At the discretion of DCCAA this audit contract can be extended for three additional one-year periods. The cost for the option periods will be agreed on by DCCAA and the Offeror. It is anticipated that the cost for the optional years will be based on the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

Specification Schedule

A. Scope of a Financial and Compliance Audit

The purpose of this RFP is to obtain the services of a public accounting firm, whose principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the "Offeror," to perform a financial and compliance audit of DCCAA.

B. Description of Programs/Contracts/Grants

Programs to be audited are included in ATTACHMENT 1 of this RFP.

C. Performance

DCCAA records should be audited from January 01, 2020 through December 31, 2020 in accordance with Government Auditing Standards, issued by the Comptroller General of the United States. In addition, the Offeror is required to prepare audit reports

- In accordance with Office of Management and Budget Uniform Guidance 2 CFR Part 200, as required by the provisions of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance")

D. Delivery Schedule

The Offeror is to transmit a copy of the draft audit report to DCCAA's Chief Fiscal Officer and DCCAA's Executive Director no later than June 30, 2021.

The Offeror shall deliver 20 final audit reports to DCCAA's Board of Directors no later than July 30, 2020, to present at the regularly scheduled board meeting.

DCCAA will need 4 additional audit reports for funding sources, as well as an electronic copy.

Reports may be submitted earlier than the schedule above. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports that do not conform to all of the provisions of this contract, DCCAA may, by written notice of default to the Offeror, charge a penalty and/or terminate the whole or any part of this contract. Under certain extenuating circumstances, the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror's proposed price should be submitted separately. Specifically, include a not-to-exceed total fee, a fee per service (audit services, tax services, etc.), and average hourly billing rates by position. Any out-of-pocket expenses should also be indicated. The pricing information should be in a separate, sealed envelope.

F. Payment

Payment will be made when DCCAA has determined that the total work effort has been satisfactorily completed. Should DCCAA reject a report, DCCAA's authorized representative will notify the Offeror in writing of such rejection, giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for 90 days after the Offeror submits the final invoice for payment.

Progress payments will be allowed to the extent that DCCAA can determine satisfactory progress is being made.

Upon delivery of the 20 copies of the final reports to DCCAA and their acceptance and approval, the Offeror may submit a bill for the balance due on the contract for the audit.

G. Audit Review

All audit reports prepared under this contract will be reviewed by DCCAA and its funding sources to ensure compliance with the General Accounting Office's (GAO) Government Auditing Standards and other appropriate audit guides.

H. Exit Conference

An exit conference with DCCAA's representatives and the Offeror's representatives will be held at the conclusion of the fieldwork. Observations and recommendations must be summarized in writing and discussed with DCCAA. It should include internal control and program compliance observations and recommendations.

I. Workpapers

1. Upon request, the Offeror will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The workpapers will be retained for at least three years from the end of the audit period.
3. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the GAO, and DCCAA.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to DCCAA, the Offeror agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, or authorize or permit

others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to those employees on the Offeror's staff who must have the information on a "need to know" basis.

The Offeror agrees to immediately notify, in writing, DCCAA's authorized representative in the event the Offeror determines or has reason to suspect a breach of this requirement.

Technical Qualifications

The Offeror, in its proposal, shall, as a minimum, include the following:

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience, including the names, addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing
2. Prior experience auditing similar programs operated by DCCAA
3. Prior experience auditing nonprofit organizations

B. Value-Added Services Beyond the Audit

The Offeror should include an explanation of other services that can and have been provided to organizations similar to DCCAA. Value-added services provide efficiencies and improved compliance that contribute to the continued success of SHARE. Value-added services can include consulting and training services as well as industry-specific products.

C. Organization, Size, and Structure

The Offeror should describe its organization, size (in relation to audits to be performed), and structure. Description should include:

1. Size of the Offer, including number of employees and physical site locations.
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Results of peer review.
5. Explanation if the Offer is a small or minority-owned business or women's business enterprise.

D. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup.
2. Overall supervision to be exercised.
3. Prior experience of the individual audit team members. Include résumés of only the staff to be assigned to the audits. Include education, position in firm, and years with the firm, industry-specific experience, and training on the recent Uniform Administrative Requirements 2 CFR Part 200.

E. Audit Approach to the Engagement

The Offeror should describe its approach of the work to be performed, including audit procedures, estimated hours, and other pertinent information.

F. Certifications

The Offeror must sign and include, as an attachment to its proposal, the Certifications enclosed with this RFP. The publications listed in the Certifications will not be provided to potential Offerors by DCCAA because DCCAA desires to contract only with an Offeror who is already familiar with these publications.

Proposal Evaluation

A. Submission of Proposals

If submitted by hard copy, all proposals shall include 3 copies of the Offeror's technical qualifications, 1 copy of the pricing information (in a separate, sealed envelope), and 3 copies of the signed Certifications. These documents will become part of the contract.

Electronic submissions should be sent to bsamuel@dccaa.net

B. Nonresponsive Proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received in a timely manner in accordance with the terms of this RFP.
2. The proposal does not follow the specified format.
3. The proposal does not include the Certifications.
4. The proposal is not adequate to form a judgment by the reviewers that the proposed undertaking would comply with the Government Auditing Standards of the U.S. Comptroller General.

C. Proposal Evaluation

Evaluation of each proposal will be scored on the following six factors. In compliance with 2 CFR Part 200.319 — Competition, no geographic preferences will be given in the evaluation of this proposal, since the section states: "The non-Federal entity must conduct procurements in a

manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.”

1. Prior audit experience	Point Range
a. Prior experience auditing	0 — 15
b. Prior experience auditing similar programs funded by DCCAA	0—10
c. Prior experience auditing nonprofit organizations	0 - 5
2. Value-Added Services Beyond the Audit	0 — 5
3. Organization, size, and structure of Offeror’s firm (consider size in relation to audits to be performed)	
a. Adequate size of the firm	0—2
b. Proper independence	0—2
c. No conflicts of interest	0—2
d. Results of peer review	0—2
e. Minority-owned/small business/women’s business enterprise	0 — 2
4. Qualifications of staff to be assigned to the audits to be performed. This will be determined from résumés submitted. Include education, position in firm, and years and types of experience.	
a. Prior experience of the individual audit team members	0 — 15
b. Overall supervision to be exercised	0 — 5
5. Offeror’s audit approach to the engagement	
a. Adequate coverage	0 — 10
b. Realistic time estimates of each audit step	0 — 5

D. Review Process

In compliance with Uniform Guidance 2 CFR Part 200.319 — Competition, DCCAA has conducted this procurement in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.

DCCAA may, at its discretion, request presentations by or meetings with any or all Offerors to clarify or negotiate modifications to the Offerors' proposals.

However, DCCAA reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, that the Offeror can propose.

DCCAA contemplates award of the contract to the responsible Offeror with the highest total points.

Certifications

On behalf of the Offeror:

1. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
2. The individual signing certifies that the Offeror is not involved in any agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
3. The individual signing certifies that the prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition.
4. The individual signing certifies that the prices quoted in this proposal have not been knowingly disclosed by the Offeror prior to an award to any other Offeror or potential Offeror.
5. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.
6. The individual signing certifies that the Offeror is a properly licensed certified public accountant.

7. The individual signing certifies that the Offeror meets the independence standards of the Government Auditing Standards.
8. The individual signing certifies that he/she is aware of and will comply with the GAO's continuing education requirement of 80 hours of continuing education every two years and that 24 hours of the 80 hours of education will be in subjects directly related to the government environment and to government auditing for individuals.
9. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
10. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - a. Government Auditing Standards (Yellow Book)
 - b. Generally Accepted Auditing Principles (GAAP)
 - c. CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
11. The individual signing certifies that he/she has read and understands all of the information in this Request for Proposal, including the information on the programs/grants/contracts to be audited and the individual's responsibility, upon receipt of all required information, for completion of the audit for presentation and approval to allow timely submission to the Federal Clearinghouse in accordance with program requirements.
12. The individual signing certifies that the Offeror, and any individuals to be assigned to the audit, does not have a record of substandard audit work and has not been debarred or suspended from doing work with any federal, state, or local government. (If the Offeror or any individual to be assigned to the audits has been found in violation of any state or AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 20_____

 (Offeror's Firm Name)

 (Signature of Offeror's Representative)

 (Printed Name and Title of Individual Signing)

ATTACHMENT 1

Listed below is the period to be audited in fiscal year 2020 for each funding source:

Community Services Block Grant (CSBG) — CFDA # 93.569

Program operating dates: January 1 through December 31

Audit Period January 1 – December 31

Base Funding amount \$222,495

Supplemental Funding amount \$14,000

CARES Supplemental Funding \$259,314

CSBG is funded from the US Department of Health and Human Services. DCCAA receives funds passed through the state of South Carolina from the Office of the Governor, Office of Economic Opportunity (OEO).

The objective of Community Services Block Grant is to provide assistance to eligible individuals to ameliorate the causes and consequences of poverty.

An annual budget along with the program work plan is submitted to OEO for funding. Upon approval of the budget and work plan, OEO issued funds to DCCAA in quarterly increments.

Low-Income Home Energy Assistance Program (LIHEAP) - CFDA # 93.568

Program operating dates: January 1 through December 31

Audit Period January 1 – December 31

Base Funding amount \$775,238

Supplemental Funding amount \$28,131

CARES Supplemental Funding \$343,049

LIHEAP is funded from the US Department of Health and Human Services. DCCAA receives funds passed thru through the state of South Carolina from the Office of the Governor, Office of Economic Opportunity (OEO).

LIHEAP provides home energy assistance to eligible individuals. Applications are taken from individuals who seek energy assistance from DCCAA. Eligible individuals receive awards based on program criteria. Checks are issued on behalf of the customers to eligible vendors/service providers. Records, including documentation to determine customer eligibility, are maintained in each county office where the application was taken.

Duke Project Share

Project operating dates: July 1 through June 30

Audit Period January 1 – December 31

Funding Amount \$9,289

Local Duke Progress Energy funds forwarded to the Office of Economic Opportunity for distribution to local community action agencies. Funds are used to assist eligible households with emergency home energy needs created by fuel supply shortages. Only Duke Progress Energy customers are served.

Dominion Energy- Project Share

Project operating dates: July 1 through June 30
Audit Period January 1 – December 31
Funding Amount \$7,905

Local Dominion Energy funds forwarded to the Office of Economic Opportunity for distribution to local community action agencies. Funds are used to assist eligible households with emergency home energy needs created by fuel supply shortages. Only Dominion Energy customers are served.

Head Start — CFDA#93.600

Program operating dates: December 1 through
November 30 Audit Period January 1 – December
31 Funded enrollment 300
Base Funding \$3,828,391
CARES Supplemental Funding \$263,642
Non-Federal Share Matching Funds \$738,887

Head Start is funded from the United States Department of Health and Human Services. Head Start provides comprehensive services to economically disadvantaged children ages birth to five and provides needed service to the family of children enrolled into the program. Parents are encouraged to participate in various decision-making processes related to operations of the program.

Child and Adult Care Food Program (CACFP)—CFDA #10.558

Program operating dates: October 1 through September 30
Audit Period January 1 – December 31
Funding Amount \$266,776

CACFP provides reimbursement for meals served to Head Start enrollees who meet program guidelines. Reimbursement rates are based on an eligibility chart and payments are made monthly based on reported enrollment and number of meals served.

Summer Food Services Program —CFDA#10.558

Program operating dates: June 1 through July 30
Audit Period January 1 – December 31
Funding Amount \$29,601

Summer Food Services Program provides free nutrition meals to low income children during the summer who resides in Darlington County while attend a summer activity program.

Parent Funds (Local Fundraising – Darlington County Parents)

Program operating dates: January 1 through December 30
Audit Period January 1 – December 31

To allow parents the opportunity to utilize funds raised to sponsor Policy Council approved activities at the center for children, parents and staff.

Emergency Solutions Grant

Program operating dates: July 1 through June 30
Audit Period January 1 – December 31
Funding amount \$10,000
Matching requirement \$10,000

This program is contracted to DCCAA by the Office of Economic Opportunity (OEO). This program provides housing preventing services to the at risk low-income resides of Darlington County.

Board Local Fundraising (Board Fundraiser & Thornwell Proceeds)

Program operating dates: January 1 through December 30
Audit Period January 1 – December 31
Funding Amount \$369,815

To allow DCCAA Board to utilize funds to support approved activities, supplement state and federal budgets, and funding sources for disallowed cost.

Wells Fargo Grant

Program operating dates: January 1 through December 30
Audit Period January 1 – December 31
Funding Amount \$32,397

To supplement housing preventive services program providing assistance to at risk low-income residents of Darlington County.

Indirect Cost Administration

Program operating dates January 1 through December 31
Audit Period January 1 – December 31
Administration Funding amount \$267,189

DCCAA current negotiated Indirect Cost rate from the Department of Health and Human Services is a provisional rate of 16.36%. The base for applying this rate is direct salaries and wages including vacation, holiday, sick pay and other paid absences, but excluding other fringe benefits.

Prepare and file Form 990 annually