#### **REQUEST FOR PROPOSALS**

#### **FOR**

#### **FINANCIAL AND PROCUREMENT**

# **AUDIT SERVICES**

Solicitation No. PT2024.3

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

### Important Dates

Questions Due- February 5, 2024

Proposals Due- February 27, 2024

### Date Issued: January 22, 2024

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lexington County School District One

Dr. Gerrita Postlewait, Superintendent

**TABLE OF CONTENTS**

**SECTION** **PAGE**

## REQUEST FOR PROPOSAL.............................…………………...………...…3

## PROPOSAL TERMS AND CONDITIONS……………………………...….….4

## SCOPE OF WORK…………….………………………...……………………...9

## FINANCIAL AUDIT SERVICES………………………...…………...…….….9

## PROCUREMENT AUDIT SERVICES......…..……………….………………..11

## PROPOSAL CONTENTS……………………………………………….…..…13

## SELECTION CRITERIA……………………………………………...……….17

## EVALUATION CRITERIA…………………………………………………….17

## DISTRICT PROFILE………………………………………………...………...18

### **REQUEST FOR PROPOSAL**

PROPOSAL FOR: Independent Financial and Procurement Audit Services

### DATE ISSUED: January 22, 2024

PROCUREMENT DIRECTOR: Elizabeth Marsh, CPPB, NIGP-CPP

ADDRESS: Lexington County School District One

Attn: Procurement Services

100 Tarrar Springs Road

Lexington, South Carolina 29072

PHONE:803-821-1176

E-MAIL ADDRESS:[emarsh@lexington1.net](mailto:emarsh@lexington1.net)

#### SOLICITATION NUMBER: PT2024.3

DEADLINE FOR SUBMISSION OF QUESTIONS: February 5, 2024 at 4:30 p.m., Local Time

SUBMIT QUESTIONS TO: Elizabeth Marsh, CPPB, NIGP-CPP

Procurement Director

emarsh@lexington1.net

Procurement Office

Lexington School District One

100 Tarrar Springs Road

Lexington, South Carolina 29072

DEADLINE FOR SUBMISSION OF PROPOSALS: February 27, 2024, at 3:00 p.m., Local Time

SUBMIT PROPOSALS TO: Elizabeth Marsh, CPPB, NIGP-CPP

Procurement Director

emarsh@lexington1.net

Procurement Office

Lexington School District One

100 Tarrar Springs Road

Lexington, South Carolina 29072

##### PROPOSAL TERMS AND CONDITIONS

###### DEADLINE FOR SUBMISSION OF PROPOSAL

Any offer received after the Procurement Officer or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered to the designated purchasing office or the District’s mail room which services that purchasing office prior to the bid/proposal opening.

#### DISTRICT OFFICE CLOSINGS

If an emergency or unanticipated event interrupts normal District Office processes so that offers cannot be received at the District Office for receipt of bids/proposals by the exact time specified in the solicitation, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal District Office processes resume. In lieu of an automatic extension, an Amendment may be issued to reschedule bid opening.

#### OPENING PROPOSALS – PRICES NOT DIVULGED

In competitive sealed proposals, prices and offerors’ names will not be divulged at opening.

#### PROPOSAL SUBMISSION

By submission of a proposal, you are guaranteeing that all services meet the requirements of the solicitation during the contract period.

###### SUBMITTING YOUR PROPOSAL

Proposals shall be submitted in a sealed envelope or package. Proposal shall be addressed to the office specified in the solicitation. The proposal number should be on the outside of the envelope.

###### MAIL PICKUP

The District picks up mail from the US Postal Service once daily around 9 a.m. excluding weekends and holidays. (See deadline for submission of proposal above.)

# PROPOSAL AUTHORIZATION AND ACCEPTANCE

Proposals must be submitted in accordance with the requirements of this request. The proposal must be signed by an official authorized to bind the offer and must contain a statement to the effect that the proposal is firm for a period of at least 90 days from the deadline date to receive the proposals. The District reserves the right to accept or reject any or all proposals received as a result of this request and to negotiate with qualified firms. Proposals will not be accepted after the specified deadline.

#### SUBMISSION OF PROPOSALS

Proposals for the Financial and Procurement Audit Services shall be submitted as outlined in the attached information.

#### PROPOSAL INSTRUCTIONS

Firms shall submit proposals for Financial and Procurement Audit Services.

ORAL PRESENTATION

Selected firms may be required to make an oral presentation of their proposal to the District after the proposal opening. Such presentations provide an opportunity for the firms to clarify their proposals and to ensure that a thorough mutual understanding exists between the firm(s) and District. The Chief Financial Officer will schedule the time and location for these presentations.

CONFIDENTIALITY

Proposals and related documents received as a result of this solicitation will not be made available by Lexington School District One to any person, agency or organization not associated with the selection committee until after an award has been made. However, commercial and/or financial information which is confidential or privileged included in proposals will not be disclosed if such information has been identified by the firm as confidential in an easily recognized way. All firms who wish to have selected information in their proposals remain confidential must visibly mark as “Confidential” each part of the proposal they consider to contain proprietary information.

PREPARATION OF THE PROPOSAL

The District requires one original and five copies of the proposal response to be submitted to the Procurement Office no later than the date and time specified in the DEADLINE FOR SUBMISSION OF PROPOSALS section of this solicitation. Any proposals received after the scheduled deadline will be disqualified immediately in accordance with District policy.

All proposals should be complete, bound, and must convey all of the information requested by the District. If significant errors are found in a firm’s proposal, or if a firm’s proposal fails to conform to the requirements of this solicitation, the District may elect to reject the proposal.

All proposals must be completed for the entire solicitation. However, the District reserves the right to accept any portion(s) of a firm’s proposal if such acceptance is deemed to be in the best interest of the District.

OPEN TRADE REPRESENTATION

By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

OPEN TRADE

During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

# DEFAULT

In case of default by the firm, Lexington County School District One reserves the right to purchase the services in default in the open market, charging the firm with any additional costs. The defaulting firm shall not be considered a responsible firm until the assessed charge has been satisfied.

CHOICE-OF-LAW

The Agreement, any dispute, claim, or controversy relating to the Agreement, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation.

# NON-APPROPRIATION

Any contract entered into by Lexington County School District One resulting from this request for proposal shall be subject to cancellation without damages or further obligation when funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period or appropriated year.

# CONTRACT ADMINISTRATION

Questions or problems arising after award of this contract shall be directed to the Chief Financial Officer, Lexington School District One, 100 Tarrar Springs Road, Lexington, South Carolina 29072.

MAXIMUM CONTRACT PERIOD—ESTIMATED: Three years from the date specified on the notice of award, March 1, 2024 through February 28, 2027. Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. See clause entitled “Term of Contract – Effective Date / Initial Contract Period.”

#### TERM OF CONTRACT – EFFECTIVE DATE / INITIAL CONTRACT PERIOD

The effective date of this contract is the first day of the Maximum Contract Period as specified on the final statement of award. The initial term of this agreement is one year from the effective date. Regardless, this contract expires no later than the last date stated on the final statement of award.

# TERMINATION

Subject to the conditions below, the contract may be terminated for any reason by the District providing a 30 day advance notice in writing is given to the firm.

# TERMINATION FOR CONVENIENCE

In the event that this contract is terminated or canceled upon request and for the convenience of the District without the required thirty (30) days advance written notice, then the District may negotiate reasonable termination costs, if applicable.

# TERMINATION FOR CAUSE

Termination by the District for cause, default, or negligence on the part of the firm shall be excluded from the foregoing conditions; termination costs, if any, shall not apply. The thirty (30) days advance notice requirement is waived and the default clause in this bid shall apply. (See Default Clause)

#### TERMINATION BY CONTRACTOR

Contractor may terminate this contract at the end of the initial term, or any renewal term, by providing the Procurement Officer notice of its election to terminate under this clause at least ninety (90) days prior to the expiration of the then current term.

#### AWARD CRITERIA

Award will be made to the offeror whose offer is determined to be the most advantageous to the District.

CONTRACTOR’S LIABILITY INSURANCE

(1) Contractor shall purchase from and maintain in a company or companies lawfully authorized to do business in South Carolina such insurance as will protect the contractor from the types of claims set forth below which may arise out of our result from the contractor’s operations under the contract and for which the contractor may be legally liable, whether such operations be by the contractor or by a subcontractor or by anyone directly or indirectly employed by any of the, or by any one for whose acts any of them may be liable:

(2) Coverage shall be written on an occurrence basis and shall be maintained without interruption from the date of commencement of the work until date of final payment.

(3) The insurance required by this paragraph shall be written not less than the following limits of liability or as required by law, whichever coverage is greater:

## COMMERCIAL GENERAL LIABILITY:

General Aggregate (per project) $1,000,000

Products/Completed Operations $1,000,000

Personal and Advertising Injury $1,000,000

Each Occurrence $1,000,000

Fire Damage (Any one fire) $50,000

Medical Expense (Any one person) $5,000

BUSINESS AUTO LIABILITY (including All Owned, Non-Owned, and Hired Vehicles):

Bodily Injury and Property Combined - Single Limit $1,000,000; or

Bodily Injury - $750,000 and Property Damage - $750,000

## WORKER’S COMPENSATION:

State Statutory

Employers Liability – Per Accident $100,000

Employers Liability Disease – Policy Limit $500,000

Employers Liability Disease – Each Employee $100,000

(4) Required Documentation. (a) Prior to commencement of the work, the Contractor shall provide to the District a signed, original certificate of liability insurance (ACORD 25). The certificate shall identify the types of insurance, state the limits of liability for each type of coverage, include a provision for 30 days’ notice prior to cancellation, name the District as the certificate holder, provide that the general aggregate limit applies per project, and provide that coverage is written on an occurrence basis. (b) Prior to commencement of the work, contractor shall provide to the District a written endorsement to the contractor’s general liability insurance policy that (i) names the District (ii) provides no material alterations, cancellation, non-renewal, or expiration of the coverage contained in such policy shall have effect unless the District has been given at least thirty (30) days prior written notice, and (iii) provides that the Contractor’s liability insurance policy shall be primary, with any liability insurance of the District as secondary and noncontributory. (c) Certificate of Insurance must be received directly from the insurance agent or the insurance company.

(5) Contractor shall provide a minimum of thirty (30) days written notice of any proposed

reduction of coverage limits (on account of revised limits or claims paid under the General

Aggregate) or any substitution of insurance carriers.

(6) The District’s failure to demand either a certificate of insurance required by this paragraph is not a waiver of Contractor’s obligations to obtain the required insurance.

#### PRICING

Pricing shall remain firm for the life of the contract.

## **SCOPE OF WORK**

## **DESCRIPTION OF SERVICES FOR FINANCIAL AUDIT**

Lexington County School District One is seeking a certified public accounting firm to provide independent audit services for fiscal years 2023-24, 2024-25, and 2025-26. The financial audit will consist of an examination of and an expression of an opinion of the general purpose financial statements of Lexington County School District One after the conclusion of each fiscal year. In addition, the auditing firm shall respond to questions and provide accounting guidance to District One Administration, including assisting in in-service training for staff, upon request.

The audit must be performed in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, 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). Audits of States, Local Governments, and Non-Profit Organizations, and the Single Audit Act of 1984, of which specific details are contained in the Audit Guide published by the State Department of Education.

If the examination requires that a management letter be issued, a conference will be arranged with appropriate school district representatives to discuss the proposed management letter, and an opportunity will be granted for a response to be made. This conference may be scheduled as a preliminary exit conference. Seven copies of the management letter shall be provided to the District. Prior to the exit conference, comments and/or recommended changes shall be communicated in writing to the Chief Financial Officer. The audit firm will draft all financial statements, footnotes and schedules as outlined in the Financial Section of the Annual Comprehensive Financial Report (ACFR) for June 30, 2023, with the exception of the two schedules included in the other schedules section. At least five working days will be provided for district officials to review the draft and complete the items listed in the introduction section, the other schedules and the statistical section as outlined in the table of contents of the June 30, 2023 ACFR. After district officials have completed the draft copies of the ACFR and made appropriate responses, the audit firm should provide final opinion letters and the exit conference completed. The District will provide a pdf version to the audit firm.

The financial audit work should be completed by the third week of October each year, with a draft of the financial statements prepared by November 1st. An oral presentation will be made to the Lexington School District One Board of Trustees during their regularly scheduled meeting in December. The audit firm will give a report of the audit in open session.

REPORT CONTENTS AND REQUIREMENTS

The ACFR will be composed of at least four major sections – an introductory section, a financial section, a statistical section and compliance section – and each will be compiled to fully meet the reporting requirements of GFOA and ASBO in order to qualify for each organization’s Certificate of Achievement/Excellence for Financial Reporting. Compilation of the introductory section and statistical section will be completed by the District.

The financial section of the ACFR for fiscal year 2023-24, 2024-25, and 2025-26 will consist of the Independent Auditor’s Report, Basic Financial Statements (including footnotes) with appropriate detail/combining schedules as prescribed by the South Carolina Department of Education, Office of Finance. Also, a Schedule of Expenditures of Federal Awards, as called for in Uniform Guidance, must be included. The Schedule of Expenditures of Federal Awards must list by federal funding source each grant’s subfund code, federal grantor/pass through grantor program title, federal CFDA number, pass through grantor’s number, and expenditures.

The report of the examination of the basic financial statements must state the scope of the examination and that the financial audit was performed in accordance with generally accepted auditing standards. Also, the report must include an opinion as to whether the statements conform to generally accepted accounting principles.

The single audit section will contain the appropriate independent auditor’s reports as required by Uniform Guidance.

If a management letter is necessary, the letter should include a statement of the audit’s findings and recommendations which affect the financial statements, internal control, accounting, accounting system, legality of actions, instances of noncompliance with laws and/or regulations, and other material matters.

LEXINGTON ONE SCHOOL FACILITIES CORP. (LOSF)

The audit firm shall complete the IRS Form 990-Return of Organization Exempt From Income Tax for LOSF.

EDUCATIONAL FOUNDATION REPORT

Audit firms shall provide, as part of the audit, a separate financial report of the Educational Foundation’s accounts for the Foundation’s Board of Directors. The Educational Foundation will be reported as a component unit in the ACFR. The firm shall provide the District with a minimum of 35 copies of the financial report. The firm shall complete the IRS Form 990-Return of Organization Exempt From Income Tax for the Educational Foundation.

EXHIBITS

The Basic Financial Statements and Notes to the Financial Statements from the district’s last ACFR give an overview of the district’s financial position as of June 30, 2023. A complete copy of the 2023 ACFR is available for review at the district office or on the District’s website at <http://www.lexington1.net/> under departments/finance/financial-information.

The Procurement Audit Reports for the past four years are available for review at the district office or on the District’s website at <http://www.lexington1.net/> under departments/procurement/other information.

Copies of the Educational Foundation’s Audit Report are available via the following link: [FY 2022 Audited Financial Statements](https://drive.google.com/open?id=1YIPsJVrzjo2xGw8Kq-z-_lzv4i_yvFeD). Should you have difficulty accessing these files please contact Elizabeth Marsh via email at [emarsh@lexington1.net](mailto:jstevens@lexington1.net) for a separate copy of the file.

**DESCRIPTION OF SERVICES FOR PROCUREMENT AUDIT**

Lexington County School District One (District) is seeking a certified public accounting firm to provide independent procurement audit services. The procurement audit must be performed in accordance with generally accepted auditing standards. In addition, the procurement audit must be performed in accordance with the provisions of Standards of Governmental Organizations, Programs Activities and Functions, issued by the United States Federal Accounting Office. The Audit must be performed using the School Districts Audit Program issued by the Division of Procurement Services, which may be reviewed on their [website.](https://procurement.sc.gov/files/SD%20AUP%20Procedures_A%26C%2027-Jul-23.pdf)

#### REPORT REQUIREMENTS

The procurement audit report should be addressed to the Chief Financial Officer. A copy of the report is to be submitted to the Office of General Services.

The procurement audit report must state the scope of the procurement audit and that the procurement audit was performed in accordance with generally accepted auditing standards. It must also include an opinion as to whether the statements conform to generally accepted procurement principles.

#### REPORT REVIEW

If the examination requires that a management letter be issued, a conference will be arranged with appropriate school district representatives to discuss the proposed management letter, and an opportunity will be granted for a response to be made. This conference may be scheduled as a preliminary exit conference. Prior to the exit conference, at least four preliminary typed draft copies of the procurement audit report will be made available to the District’s Chief Operations Officer for distribution and review by selected district officials. At least seven working days will be provided for district officials to review the draft copies before final copies are printed and bound. After district officials have reviewed draft copies of the procurement audit report and made appropriate responses, and the exit conference completed, the audit firm will deliver to the District at least two final copies suitable for use by the District to have bound copies made.

#### TIME CONSIDERATIONS AND REQUIREMENTS

The procurement audit work can commence on a date mutually agreed upon by the successful firm and the District in order for the procurement audit to be completed by December 15 for the fiscal year ended the previous June 30.

#### WORKING PAPERS

Working papers will be retained by the successful firm for five years after the completion of each procurement audit. The working papers must be made available for examination without charge to the District and the Office of General Services.

**DESCRIPTION OF SERVICES FOR WORKSHOPS/TRAINING FOR SUPPORT ORGANIZATIONS**

The successful proposer will be required to provide training sessions each year (total of 3 sessions) concerning support organizations such as booster clubs, Parent Teacher Associations, Parent Teacher Organizations. These training sessions are to be held near the start of the academic year at two different District facilities. One session shall be held during business hours and the other in the evening.

The purpose of these sessions will be to educate parents that are considering establishing a support organization and/or serving on the board of an existing organization. The sessions should cover:

* Information on properly establishing a charitable organization
* IRS and SC Secretary of State requirements
* Risk Management
* Organization By-Laws
* Recommended Financial Policies and Controls
* Fundraising
* District policies and procedures
* Reporting
* Examples of what can go wrong

PowerPoint or other presentations shown or handouts are expected to be made available to the District to post on the Lexington School District One website.

##### PROPOSAL CONTENTS

The District requires one original and five copies of the proposal response be submitted to the Procurement Office no later than the date and time specified in the DEADLINE FOR SUBMISSION OF PROPOSALS section of this solicitation. Any proposals received after the scheduled deadline will be disqualified immediately in accordance with the District’s policy.

All proposals should be complete, bound, and must convey all of the information requested by the District. If significant errors are found in a firm’s proposal, or if a firm’s proposal fails to conform to the requirements of this solicitation, the District may elect to reject the proposal.

All proposals must be completed for the entire solicitation. However, the District reserves the right to accept any portion(s) of a firm’s proposal if such acceptance is deemed to be in the best interest of the district.

To simplify the review process and to facilitate the comparison of proposals, all proposals should be organized using the following format:

1. Title Page should contain the name and address of the firm, responsible administrative officer, phone number and specific data for the firm's liaison or contact person.
2. Table of Contents should identify the content material by section and page number.
3. Letter of Transmittal must be submitted with your proposal response stating the firm’s understanding of the work to be done, all-inclusive fee for the work to be done, name(s) of person(s) who will represent the firm, to include a signature of the person who has been authorized to bind the offer and date of signature.
4. Firm Representation

State the names of the persons who will be authorized to make representations for the firm, their titles, addresses, telephone numbers, assignments, qualifications, professional background, and experience.

1. Brief history of the firm, including date established and work experience, as outlined below
2. Profile of the Firm’s history should describe the firm making the offer, date established, locations of offices to include addresses and the one from which the work will be done.
3. State whether the firm is local, regional, national, or international.
4. Provide an affirming statement that the firm is properly licensed and does not discriminate in the employment of persons on the basis of race, color, creed, national origin, sex, age or physical handicap.
5. List school districts previously audited.

6. List of principals and key staff, including the professional background of each

1. Identify and describe the principal and key staff, including the professional background and work experience for each, and the range of activities performed by the firm such as auditing, accounting tax services, or management services.
2. Statement relative to the method of operation and approach to the examination
3. Submit a work plan and time estimates for each significant segment of the work to be completed.
4. Qualifications of the staff assigned to each segment.
5. Identify the individual designated as the auditor responsible for supervising this project for each term of the contract. The auditor’s name and credentials are to be included in this information.
6. Where applicable, identify individual supporting staff members by name and title. Describe the availability of staff to provide assistance throughout the year.
7. Any other information describing your method of operation and any additional information.
8. Proposed Costs/Pricing

Provide a breakdown of the anticipated total hours and hourly rate which will be required to complete the audit and the resulting ALL-INCLUSIVE FEE, including out-of-pocket costs. Also, this section should guarantee the district that if circumstances are encountered which would warrant extended services, the district will be notified and no extended services will be performed until authorized in writing by the district. See attached Pricing Schedule.

1. References

Provide a list of at least three clients, preferably school districts, for which recent audits (prior three years) have been completed that are similar to the financial and procurement audit described in this solicitation. References shall include the name, contact person, telephone number, email address, physical address, and type of audit performed, financial or procurement.

1. Additional Data

Provide additional information considered essential to the proposal which has not been specifically requested.

11. Sample Audit

Provide a sample audit for a school district or auditing format.

**Pricing Schedule**

Award will be made to one offeror for all services including work covered by the hourly rate. The award for the Procurement Audit will be for either option A or option B, whichever is deemed most advantageous to the District.

Prices listed below shall include all work necessary to audit all funds, including grants and other special funds.

***OPTION A***

***Fiscal Year 2023-2024***

*CAFR audit $*

*Educational Foundation audit $*

*Preparation of Form 990*

*Educational Foundation $*

*Lexington One School Facilities Corp $*

*Annual Workshops/Training $*

*Procurement audit $*

***Subtotal Fiscal Year 2023-24*** *$****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***

***Fiscal Year 2024-2025***

*CAFR audit $*

*Educational Foundation audit $*

*Preparation of Form 990*

*Educational Foundation $*

*Lexington One School Facilities Corp $*

*Annual Workshops/Training $*

*Procurement audit $*

***Subtotal Fiscal Year 2024-25*** *$****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***

***Fiscal Year 2025-2026***

*CAFR audit $*

*Educational Foundation audit $*

*Preparation of Form 990*

*Educational Foundation $*

*Lexington One School Facilities Corp $*

*Annual Workshops/Training $*

*Procurement audit $*

***Subtotal Fiscal Year 2025-26*** *$****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***

***OPTION A: ACCUMULATIVE TOTAL PRICE $***

***(Total of Fiscal Year Subtotals)***

***OPTION B – Procurement Audit – Three Year Audit***

***Procurement Audit – Three Year Audit***

*Fiscal Years 2023-24 through 2025-26 $****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***

*Total Price*

***OTHER FEE***

*HOURLY RATE*

*Hourly rate charged for additional work that may be identified over and above what would be normally required.*

*$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/HR*

**SELECTION CRITERIA**

Should the District elect to award a contract based on this solicitation, the award will be made to the firm whose proposal is determined to be the most advantageous to the district for both the financial and procurement audit. The right is reserved to reject any and all proposals received and, in all cases, the District will be the sole judge as to whether a firm’s proposal has satisfactorily met the requirements of this solicitation. Upon acceptance, a Statement of Award will be issued by Lexington School District One to the successful firm.

**EVALUATION CRITERIA**

The following factors will be used to evaluate proposals:

1. Availability of staff to provide assistance throughout the school year
2. Experience in auditing school districts in South Carolina
3. Cost of providing audit and other auditing services
4. Quality of work
5. Methods of operation
6. Professional reputation
7. Adequacy of staff and facilities
8. References
9. Approved by the State Auditor’s Office and included on the South Carolina Department of Educations approved audit firm list.

**DISTRICT PROFILE**

**DISTRICT FACTS**

Lexington One serves more than 27,000 students from Pre-Kindergarten to Grade 12 with more than 4,200 employees (not including substitutes) and 32 schools (18 elementary schools, eight middle schools, five high schools, one technology center). The district also has [alternative education services](https://www.lexington1.net/AES) designed to help students at risk of expulsion.

The 360 square miles that make up Lexington District One stretch from the banks of Lake Murray to the county’s southern border with Aiken County. Our district occupies 48 percent of the county’s 750 square miles and is one of the county’s major employers. 2020 Census Data shows Lexington County’s population as 304,797 and the area that makes up Lexington One’s population as 156,002 or 52 percent of the county.

During the past 10 years (2013–2023), Lexington District One grew by an average of 475 new students per year. The district remains one of the fastest growing school districts in the state, ranking sixth in total enrollment.

To keep up with this tremendous growth, Lexington District One has built 17 new schools since 1997.

**FINANCIAL FACTS**

Lexington One maintains a strong financial position. The district’s bond ratings were reaffirmed in August 2023 by both Moody's and Standard & Poor which are, respectively, Aa1 and AA. The district has received the Government Finance Officers Association’s Certificate of Achievement for Excellence in Financial Reporting for 28 consecutive years, and the Association of School Business Officials International’s Certificate of Excellence in Financial Reporting for 29 consecutive years, and a clear audit report 30 consecutive years.

The district’s 2023-2024 general fund operating budget of $360,350,299 provides funding for the day-to-day operations of the district such as paying salaries, insurance and utilities, and purchasing supplies, materials and services.

The District is a good steward of taxpayers’ dollars.  The FY22 In$ite data has provided by the South Carolina Department of Education, and the SC Education Funding Dashboard shows the District spent 60.5 percent of its funds on instruction, and instructional support, 7.6 percent for leadership, 11.9 percent for Other and 19.9 percent for operations (which includes transportation, food service, safety, building upkeep and maintenance, data processing and business operations).

The accounting system used by the district is a fully-automated program-oriented system set up to comply with the accounting guidelines established by the State Department of Education.  Accounting data is processed using a financial software system compiled by BusinessPlus.  All records, including payroll, purchase orders, paid invoices and other data which must be kept in compliance with state archive regulations, are stored on and off site and electronically available within the District’s imaging system.

The District accounts for funds in five different fund categories:

1.                  General Fund

2.                  Special Revenue Fund (including Education Improvement Act, Pupil Activity funds and Food Service funds)

3.                  Debt Service Fund (including installment purchase funds)

4.                  Capital Projects Fund

5.                  Permanent Fund (including educational foundation funds)

All fund categories are accounted for on the District’s network.  However, the funds for the Debt Service Fund are maintained by the Lexington County Treasurer’s Office and the installment purchase funds are maintained by the trust bank, the Bank of New York Mellon.

A Trial Balance will be available for the auditor to audit by the end of September.

Interim fieldwork may be conducted before fiscal year-end.

Auditors typically spend 1 week onsite interim, 1 week remote, Final 1 week onsite, and 1 week remote. During fieldwork 4 auditors were onsite (including the manager and partner).

For the most recently completed financial statement audit, the previous auditors proposed all GASB 34 reclassification entries and there were no adjusting journal entries.

There has been no change in accounting software during the year and is there no change in accounting software expected during the term of the audit contract. We do anticipate a chart of account enhancement in fiscal year 2024-2025 to our current account structure to allow for a more granular management of budgets, and old account numbers will be updated with the new account numbers.

**KEY FINANCE AND OPERATIONS PERSONNEL**

Jennifer L. Miller, CPA, Chief Financial Officer

Jennifer holds a bachelor's degree in accounting, insurance and risk management, and finance from the University of South Carolina. She commenced her role at Lexington One on July 1, 2022, bringing over 4 years of chief financial officer experience in school districts. Prior to joining Lexington One, Jennifer served as an audit partner for a regional auditing firm, specializing in governmental audits, particularly school districts, and was in public accounting for 17 years. In total, she has accumulated 23 years of valuable accounting experience.

Cindi Gillepsie, CPA, Finance Director

Cindi is a graduate of the University of South Carolina. She has been with the District for 1 year and has over 23 years of governmental accounting/auditing experience and over 35 years of accounting experience.

Donna Patten, CPA, Accounting Director

Donna is a graduate of the University of South Carolina. She has been with the District for 7 years and has over 21 years of governmental accounting/auditing and over 29 years of accounting experience.

Lindsey Price, ​SCCSBO, Payroll Director

Lindsey is a graduate of New York Institute of Technology. She has been with the District 14 years and has over 18 years of governmental accounting/ auditing experience.

David Cobb, CPA, Director of Business Services,

David is a graduate of the University of South Carolina. He has been with the District for 16 years and has over 38 years of governmental accounting/auditing experience.

Elizabeth (Beth) Marsh, CPPB, NIGP-CPP, Director of Procurement

Beth holds an associate degree in accounting and a bachelors in business administration with a concentration in federal contracts and acquisitions. She joined the District in 2022 and has over 7 years of procurement experience.

Deidre Yonce, Director of Food Service and Nutrition

Deidre is a graduate of Strayer University. She has been with the District for 2 years and has over 20 years of Child Nutrition Food Service experience.