

 <b>WINTHROP</b> UNIVERSITY <b>Request for Proposal</b>	Solicitation Type	<b>Request for Proposal</b>
	Solicitation Number	<b>08-R801064LC</b>
	Date Issued	<b>December 17, 2007</b>
	Procurement Officer	<b>Linda Campfield</b>
	Phone	<b>803.323.2143</b>
E-Mail Address	<b>campfieldL@winthrop.edu</b>	

DESCRIPTION: **Provide Winthrop University Financial and Compliance Audits for a period of five (5) years, Starting March 1, 2008**

*The Term "Offer" Means Your "Bid" or "Proposal".*

SUBMIT OFFER BY: (Opening Date/Time) **February 5, 2008 - 3:00 pm**: See provision entitled "Deadline For Submission Of Offer"

NUMBER OF COPIES TO BE SUBMITTED: **ONE (1) Original and 4 copies of RFP response. Five (5) copies of latest external quality review report.**

QUESTIONS MUST BE RECEIVED BY: 01/18/08 by 3:00 pm : See provision entitled "Questions From Offerors"

**Offers must be submitted in a sealed package. Solicitation Number & Opening date must appear on package exterior.**

MAILING ADDRESS:	PHYSICAL ADDRESS:
Winthrop University Procurement Services 307 Tillman Hall Rock Hill, SC 29733	Winthrop University Procurement Services 307 Tillman Hall Rock Hill, SC 29733

See provision entitled "Submitting Your Offer"

Conference Type: <b>Pre-Proposal Vendor Conference</b> Date & Time <b>01/17/08 at 10:00 am</b> As appropriate see " Conference -Pre-Bid /Proposal" & " Site Visit" previsions	Location: <b>Winthrop University</b> <b>306 Tillman Hall</b> <b>Rock Hill, SC 29733</b>
---	---

AWARD & AMENDMENTS	Award will be posted at the Physical Address stated above on 02/18/08. The award, this solicitation, and any amendments will be posted at the following web address: <a href="http://www.winthrop.edu/procurement.htm">http://www.winthrop.edu/procurement.htm</a>
--------------------	--

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 thirty (30) calendar days after the Opening Date.

NAME OF OFFEROR (Full legal name of business submitting the offer)	OFFEROR'S TYPE OF ENTITY: (Check one)
AUTHORIZED SIGNATURE  (Person signing must be authorized to submit binding offer to enter contract on behalf of Offeror named above.)	<input type="checkbox"/> Sole Proprietorship
TITLE (Business title of person signing above)	<input type="checkbox"/> Partnership
PRINTED NAME (Printed name of person signing above)	<input type="checkbox"/> Corporation (tax-exempt)
DATE	<input type="checkbox"/> Corporate entity (not tax-exempt)
	<input type="checkbox"/> Government entity (federal, state, or local)
	<input type="checkbox"/> Other
	(See "Signing Your Offer" provision.)

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	(If Offeror is a corporation, identify the state of Incorporation.)
TAXPAYER IDENTIFICATION NO.  (See "Taxpayer Identification Number" provision)	STATE VENDOR NO.  (Register to obtain S.C. Vendor No. at <a href="http://www.procurement.sc.gov">www.procurement.sc.gov</a> )

PAGE TWO

(Return Page Two with Your Offer)

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)			
	Area Code	Number	Extension	Facsimile
	E-mail Address:			

PAYMENT ADDRESS (Address to which payment will be sent ) (See "Payment" clauses)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders" and "Contract Documents" clauses)
Payment address same as Home Office Address Payment address same as Notice Address (check only one)	Order Address same as Home Office Address Order Address same as Notice Address (Check only one)

ACKNOWLEDGEMENT OF AMENDMENTS	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date
Offerors acknowledges receipt of amendment by indicating amendment number and its date of issue.  See "Amendment to Solicitation " Provision								

DISCOUNT FOR PROMPT PAYMENT See "Discount for Prompt Payment" clause	10 Calendar Days (%)	20 Calendar Days (%)	30 Calendar Days (%)	_____ Calendar Days(%)
---	----------------------	----------------------	----------------------	------------------------

PREFERENCE - SC RESIDENT VENDOR PREFERENCE (June 2006): Section 11-35-1524 provides a preference for Offerors that qualify as a resident vendor. A resident vendor is an Offeror that (a) is authorized to transact business within South Carolina, (b) maintains an office * in South Carolina, (c) either (1) maintains a minimum \$10,000.00 representative inventory at all time of the solicitation, or (2) is a manufacturer which is headquartered and has at least a ten million dollar payroll in South Carolina, and the product is make or processed from raw materials into a finished end-product by such manufacturer or an affiliate ( as defined in section 1563 of the Internal Revenue Code) of such manufacturer and (d) has paid all assessed taxes. If applicable, preference will be applied as required by law	<b>OFFERORS REQUESTING THIS PREFERENCE MUST INITIAL HERE.</b> _____
	*ADDRESS AND PHONE OF IN-STATE OFFICE
	_____ In- State Office Address same as Home Office address _____ In -State Office address same as Notice Address (CHECK ON LY ONE)

PREFERENCE - SC/US END-PRODUCT (June 2005) Section 11-35-1524 provides a preference to vendors offering South Carolina end-products or US end-products, if those products are made, manufactured , or grown in SC or the US, respectively. And end-product is the item identified for acquisition in this solicitation, including all component parts in final form and ready for the use intended. The terms "made", "manufactured", and "grown" are defined by Section 11-35-1524 (B). By signing your offer and checking the appropriate space(s) provided and identified on the bid schedule, Offeror certifies that the end-product (s) is either made, manufactured or grown in South Carolina, or other states of the United States, as applicable. Preference will be applied as required by law.	<b>IF THIS PREFERENCE APPLIES TO THIS PROCUREMENT, PART VIII ( BIDDING SCHEDULE) WILL INCLUDE A PLACE TO CLAIM THE PREFERENCE. OFFERORS REQUESTING THIS PREFERENCE MUST CHECK THE APPROPRIATE SPACE ON THE BIDDING SCHEDULE.</b>
---	--

# **\*\*\*IMPORTANT\*\*\***

**If you obtain a copy of this solicitation and want to receive future notifications (possible amendments), pertaining to this solicitation, you must notify the buyer at:**

**[campfieldL@winthrop.edu](mailto:campfieldL@winthrop.edu)**

**Please provide the following:**

**Company Name**

**Contact Person**

**Address**

**Telephone**

**Fax**

**E-mail Address**

## Solicitation Outline

- I. Scope of Solicitation**
- II. Instruction to Offerors**
  - A. General Instructions**
  - B. Special Instructions**
- III. Scope of Work / Specifications**
- IV. Information for Offerors to Submit**
- V. Qualifications**
- VI. Award Criteria**
- VII. Terms and Conditions**
  - A. General**
  - B. Special**
- VIII. Bidding Schedule / Cost Proposal**
- IX. Attachments to Solicitations.**

### **I. SCOPE OF SOLICITATION**

It is the intent of Winthrop University to solicit proposals for financial and compliance audits for Winthrop University in accordance with all requirements stated herein

MAXIMUM CONTRACT PERIOD — ESTIMATED (January 2006): March 1, 2008 through February 28, 2009 with an option to renew for four (4) additional one-year periods. 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".

### **II. INSTRUCTIONS TO OFFERORS:**

#### **A. GENERAL INSTRUCTIONS**

DEFINITIONS (JANUARY 2006) EXCEPT AS OTHERWISE PROVIDED HEREIN, THE FOLLOWING DEFINITIONS ARE APPLICABLE TO ALL PARTS OF THE SOLICITATION.

AMENDMENT – means a document issued to supplement the original solicitation document.

BOARD – means the South Carolina Budget & Control Board.

BUYER – means the Procurement Officer.

CHANGE ORDER - means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract.

CONTRACT - See clause entitled "Contract Documents & Order of Precedence."

CONTRACT MODIFICATION – means a written order signed by the Procurement Officer, directing the contractor to make changes which the changes clause of the contract authorizes the Procurement Officer to order without the consent of the contractor.

CONTRACTOR – means the Offeror receiving an award as a result of this solicitation.

COVER PAGE – means the top page of the original solicitation on which the solicitation is identified by number. Offerors are cautioned that Amendments may modify information provided on the Cover Page.

OFFER – means the bid or proposal submitted in response this solicitation. The terms "Bid" and "Proposal" are used interchangeably with the term "Offer."

OFFEROR – means the single legal entity submitting the offer. The term "Bidder" is used interchangeably with the term "Offeror." See bidding provisions entitled "Signing Your Offer" and "Bid/Proposal As Offer To Contract."

ORDERING ENTITY - Using Governmental Unit that has submitted a Purchase Order.

PAGE TWO – means the second page of the original solicitation, which is labeled Page Two.

PROCUREMENT OFFICER – means the person, or his successor, identified as such on the Cover Page.

YOU and YOUR – means Offeror.

SOLICITATION – means this document, including all its parts, attachments, and any Amendments.

STATE – means the Using Governmental Unit(s) identified on the Cover Page.

SUBCONTRACTOR – means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.

USING GOVERNMENTAL UNIT – means the unit(s) of government identified as such on the Cover Page. If the Cover Page names a "Statewide Term Contract" as the Using Governmental Unit, the Solicitation seeks to establish a Term Contract [11-35-310(35)] open for use by all South Carolina Public Procurement Units [11-35-4610(5)].

WORK - means all labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.

AMENDMENTS TO SOLICITATION (JANUARY 2006) (a) The Solicitation may be amended at any time prior to opening. All actual and prospective Offerors should monitor the following web site for the issuance of Amendments: [www.winthrop.edu/procurement.bids.htm](http://www.winthrop.edu/procurement.bids.htm) (b) Offerors shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date in the space provided for this purpose on Page Two, (3) by letter, or (4) by submitting a bid that indicates in some way that the bidder received the amendment. (c) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

AWARD NOTIFICATION (JUNE 2006) Notice regarding any award or cancellation of award will be posted at the location specified on the Cover Page. The date and location of posting will be announced at opening. If the contract resulting from this Solicitation has a total or potential value of fifty thousand dollars or more, such notice will be sent to all Offerors responding to the Solicitation. Should the contract resulting from this Solicitation have a potential value of one hundred thousand dollars or more, such notice will be sent to all Offerors responding to the Solicitation and any award will not be effective until the eleventh day after such notice is given.

BID / PROPOSAL AS OFFER TO CONTRACT (JANUARY 2006) By submitting Your Bid or Proposal, You are offering to enter into a contract with the Using Governmental Unit(s). Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An Offer may be submitted by only one legal entity; "joint bids" are not allowed.

BID ACCEPTANCE PERIOD (JANUARY 2006) In order to withdraw Your Offer after the minimum period specified on the Cover Page, You must notify the Procurement Officer in writing.

BID IN ENGLISH & DOLLARS (JANUARY 2006) Offers submitted in response to this solicitation shall be in the English language and in US dollars, unless otherwise permitted by the Solicitation.

BOARD AS PROCUREMENT AGENT (AUG 2004) (a) Authorized Agent. All authority regarding the conduct of this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement. (b) Purchasing Liability. The Procurement Officer is an employee of the Board acting on behalf of the Using Governmental Unit(s) pursuant to the Consolidated Procurement Code. Any contracts awarded as a result of this procurement are between the Contractor and the Using Governmental Units(s). The Board is not a party to such contracts, unless and to the extent that the board is a using governmental unit, and bears no liability for any party's losses arising out of or relating in any way to the contract.

#### CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JANUARY 2006)

(a)(1) By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-

(i) Offeror and/or any of its Principals-

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.

(ii) Offeror has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

(b) Offeror shall provide immediate written notice to the Procurement Officer if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offer must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer may terminate the contract resulting from this solicitation for default.

CODE OF LAWS AVAILABLE (JANUARY 2006): The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at <http://www.scstatehouse.net/code/statmast.htm>. The South Carolina Regulations are available at: <http://www.scstatehouse.net/coderegs/statmast.htm>.

COMPLETION OF FORMS / CORRECTION OF ERRORS (JANUARY 2006): All prices and notations should be printed in ink or typewritten. Errors should be crossed out, corrections entered and initialed by the person signing the bid. Do not modify the solicitation document itself (including bid schedule). (Applicable only to offers submitted on paper.)

DEADLINE FOR SUBMISSION OF OFFER (JANUARY 2006) Any offer received after the Procurement Officer of the governmental body 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 governmental bodies' mail room which services that purchasing office prior to the bid opening. [R.19-445.2070(H)]

DRUG FREE WORK PLACE CERTIFICATION (JANUARY 2006) By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended

DUTY TO INQUIRE (JANUARY 2006) Offeror, by submitting an Offer, represents that it has read and understands the Solicitation and that its Offer is made in compliance with the Solicitation. Offerors are expected to examine the Solicitation thoroughly and should request an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation. Failure to do so will be at the Offeror's risk. Offeror assumes responsibility for any patent ambiguity in the Solicitation that Offeror does not bring to the State's attention.

ETHICS ACT (JANUARY 2006) By submitting an Offer, You certify that You are in compliance with South Carolina's Ethics, Government Accountability, and Campaign Reform Act of 1991, as amended. The following statutes require special attention: (a) Offering, giving, soliciting, or receiving anything of value to influence action of public employee – Section 8-13-790, (b) Recovery of kickbacks – Section 8-13-790, (c) Offering, soliciting, or receiving money for advice or assistance of public official – Section 8-13-720, (d) Use or disclosure of confidential information – Section 8-13-725, and (e) Persons hired to assist in the preparation of specifications or evaluation of bids – Section 8-13-1150.

OMIT TAXES FROM PRICE (JANUARY 2006): Do not include any sales or use taxes in Your price that the State may be required to pay.

PROTESTS (JUNE 2006) Any prospective bidder, Offeror, contractor, or subcontractor who is aggrieved in connection with the solicitation of a contract shall protest within fifteen days of the date of issuance of the applicable solicitation document at issue. Any actual bidder, Offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of a contract shall protest within ten days of the date notification of award is posted in accordance with this code. A protest shall be in writing, shall set forth the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided, and must be received by the appropriate Chief Procurement Officer within the time provided. See clause entitled "Protest-CPO". [§ 11-35-4210]

PUBLIC OPENING (JANUARY 2006) Offers will be publicly opened at the date / time and at the location identified on the Cover Page, or last Amendment, whichever is applicable

QUESTIONS FROM OFFERORS (JANUARY 2006): (a) Any prospective Offeror desiring an explanation or interpretation of the solicitation, drawings, specifications, etc., must request it in writing. Questions must be received by the Procurement Officer no later than five (5) days prior to opening unless otherwise stated on the Cover Page. Label any communication regarding your questions with the name of the procurement officer, and the solicitation's title and number. Oral explanations or instructions will not be binding. Any information given a prospective Offeror concerning a solicitation will be furnished promptly to all other prospective Offerors as an Amendment to the solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective Offerors. (b) The State seeks to permit maximum practicable competition. Offerors are urged to advise the Procurement Officer – as soon as possible – regarding any aspect of this procurement, including any aspect of the Solicitation that unnecessarily or inappropriately limits full and open competition.

REJECTION/CANCELLATION (JANUARY 2006) The State may cancel this solicitation in whole or in part. The State may reject any or all proposals in whole or in part. [SC Code Section 11-35-1710 & R.19-445.2065.]

#### RESPONSIVENESS / IMPROPER OFFERS (JANUARY 2006)

(a) Bid as Specified. Offers for supplies or services other than those specified will not be considered unless authorized by the Solicitation.

(b) Multiple Offers. Offerors may submit more than one Offer, provided that each Offer has significant differences other than price. Each separate Offer must satisfy all Solicitation requirements. If this solicitation is an Invitation for Bids, each separate offer must be submitted as a separate document. If this solicitation is a Request for Proposals, multiple offers may be submitted as one document, provided that you clearly differentiate between each offer and you submit a separate cost proposal for each offer, if applicable.

(c) Responsiveness. Any Offer which fails to conform to the material requirements of the Solicitation may be rejected as nonresponsive. Offers which impose conditions that modify material requirements of the Solicitation may be rejected. If a fixed price is required, an Offer will be rejected if the total possible cost to the State cannot be determined. Offerors will not be given an opportunity to correct any material nonconformity. Any deficiency resulting from a minor informality may be cured or waived at the sole discretion of the Procurement Officer. [R.19-445.2070 and Section 11-35-1520(13)]

(d) Price Reasonableness: Any offer may be rejected if the Procurement Officer determines in writing that it is unreasonable as to price. [R. 19-445.2070].

(e) Unbalanced Bidding. The State may reject an Offer as nonresponsive if the prices bid are materially unbalanced between line items or subline items. A bid is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the bid will result in the lowest overall cost to the State even though it may be the low evaluated bid, or if it is so unbalanced as to be tantamount to allowing an advance payment.

RESTRICTIONS APPLICABLE TO OFFERORS (JANUARY 2006) Violation of these restrictions may result in disqualification of your offer, suspension or debarment, and may constitute a violation of the state Ethics Act. (a) After issuance of the solicitation, ***you agree not to discuss this procurement activity in any way with the Using Governmental Unit or its employees, agents or officials.*** All communications must be solely with the Procurement Officer. This restriction may be lifted by express written permission from the Procurement Officer. This restriction expires once a contract has been formed. (b) Unless otherwise approved in writing by the Procurement Officer, ***you agree not to give anything to any Using Governmental Unit***

SIGNING YOUR OFFER (JANUARY 2006) Every Offer must be signed by an individual with actual authority to bind the Offeror.

(a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words "by its Partner," and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) An Offer may be submitted by a joint venturer involving any combination of individuals, partnerships, or corporations. If the Offeror is a joint venture, the Offer must be submitted in the name of the Joint Venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the Offer must state that it has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal.

STATE OFFICE CLOSINGS (JANUARY 2006) If an emergency or unanticipated event interrupts normal government processes so that offers cannot be received at the government office designated for receipt of bids 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 government processes resume. In lieu of an automatic extension, an Amendment may be issued to reschedule bid opening. If state offices are closed at the time a pre-bid or pre-proposal conference is scheduled, an Amendment will be issued to reschedule the conference. Useful information may be available at: [http://www.scemd.org/scgovweb/weather\\_alert.htm](http://www.scemd.org/scgovweb/weather_alert.htm).

SUBMITTING CONFIDENTIAL INFORMATION (AUGUST 2002): (An overview is available at [www.procurement.sc.gov](http://www.procurement.sc.gov)) For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "PROTECTED" every page, or portion thereof, that Offeror contends is protected by Section 11-35-1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response (bid, proposal, quote, etc.) as confidential, trade secret, or protected! If your response, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page. By submitting a response to this solicitation or request, Offeror (1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these bidding instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from the State withholding information that Offeror marked as "confidential" or "trade secret" or "PROTECTED". (All references to S.C. Code of Laws.)

SUBMITTING YOUR OFFER OR MODIFICATION (JANUARY 2006) (a) Offers and offer modifications shall be submitted in sealed envelopes or packages (unless submitted by electronic means) – (1) Addressed to the office specified in the Solicitation; and (2) Showing the time and date specified for opening, the solicitation number, and the name and address of the bidder. (b) If you are responding to more than one solicitation, each offer must be submitted in a different envelope or package. (c) Each Offeror must submit the number of copies indicated on the Cover Page. (d) Offerors using commercial carrier services shall ensure that the Offer is addressed and marked on the outermost envelope or wrapper as prescribed in paragraphs (a)(1) and (2) of this provision when delivered to the office specified in the Solicitation. (e) Facsimile or e-mail offers, modifications, or withdrawals, will not be considered unless authorized by the Solicitation. (f) Offers submitted by electronic commerce shall be considered only if the electronic commerce method was specifically stipulated or permitted by the solicitation.

TAX CREDIT FOR SUBCONTRACTING WITH MINORITY FIRMS (JANUARY 2006) Pursuant to Section 12-6-3350, taxpayers, who utilize certified minority subcontractors, may take a tax credit equal to 4% of the payments they make to said subcontractors. The payments claimed must be based on work performed directly for a South Carolina state contract. The credit is capped at \$25,000 per year or the total tax liability; whichever is lesser. The taxpayer is eligible to claim the credit for 6 consecutive taxable years beginning with the taxable year in which the credit is first claimed. There is no carry forward of unused credits. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return. Taxpayers must maintain evidence of work performed for a State contract by the minority subcontractor. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888. The subcontractor must be certified as to the criteria of a "Minority Firm" by the Governor's Office of Small and Minority Business Assistance (OSMBA). Certificates are issued to subcontractors upon successful completion of the certification process. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734-0657, Fax: (803) 734-2498. Reference: SC §11-35-5010 – Definition for Minority Subcontractor & SC §11-35-5230 (B) – Regulations for Negotiating with State Minority Firms.

TAXPAYER IDENTIFICATION NUMBER (JANUARY 2006): (a) If Offeror is owned or controlled by a common parent as defined in paragraph (b) of this provision, Offeror shall submit with its Offer the name and TIN of common parent.

(b) Definitions: "Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member. "Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the Offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(c) If Offeror does not have a TIN, Offeror shall indicate if either a TIN has been applied for or a TIN is not required. If a TIN is not required, indicate whether (i) Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States; (ii) Offeror is an agency or instrumentality of a state or local government; (iii) Offeror is an agency or instrumentality of a foreign government; or (iv) Offeror is an agency or instrumentality of the Federal Government.

VENDOR REGISTRATION MANDATORY (JANUARY 2006): You must have a state vendor number to be eligible to submit an offer. To obtain a state vendor number, visit [www.procurement.sc.gov](http://www.procurement.sc.gov) and select "New Vendor Registration." (To determine if your business is already registered, go to "Vendor Search".) Upon registration, you will be assigned a state vendor number. Vendors must keep their vendor information current. If you are already registered, you can update your information by selecting "Change Vendor Registration." (Please note that vendor registration does not substitute for any obligation to register with the S.C. Secretary of State or S.C. Department of Revenue. You can register with the agencies at <http://www.scbos.com/default.htm>.)

WITHDRAWAL OR CORRECTION OF OFFER (JANUARY 2006) Offers may be withdrawn by written notice received at any time before the exact time set for opening. If the Solicitation authorizes facsimile offers, offers may be withdrawn via facsimile received at any time before the exact time set for opening. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a receipt for the bid. The withdrawal and correction of Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085.

## **B. Special Instructions:**

CONFERENCE - PRE-BID/PROPOSAL (JAN 2006): Due to the importance of all Offerors having a clear understanding of the specifications and requirements of this solicitation, a conference of potential Offerors will be held on the date specified on the cover page. Bring a copy of the solicitation with you. Any changes resulting from this conference will be noted in a written amendment to the solicitation. Your failure to attend will not relieve the Contractor from responsibility for estimating properly the difficulty and cost of successfully performing the work, or for proceeding to successfully perform the work without additional expense to the OPENING PROPOSALS - PRICES NOT DIVULGED (JAN 2006): In competitive sealed proposals, prices will not be divulged at opening. [§ 11-35-1530 & R. 19-445.2095(c) (1)]

The University assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available at the conference. Nor does the University assume responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before the execution of this contract, unless that understanding or representation is expressly stated in this contract.

CONTENTS OF OFFER (RFP) - SPO (JAN 2006): (a) Offers should be complete and carefully worded and should convey all of the information requested. (b) Offers should be prepared simply and economically, providing a straightforward, concise description of Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. (c) Each copy of your offer should be bound in a single volume where practical. All documentation submitted with your offer should be bound in that single volume. (d) If your offer includes any comment over and above the specific information requested in the solicitation, you are to include this information as a separate appendix to your offer. Offers which include either modifications to any of the solicitation's contractual requirements or an Offeror's standard terms and conditions may be deemed non-responsive and not considered for award.

DESCRIPTIVE LITERATURE – LABELLING (JANUARY 2006): Include Offeror's name on the cover of any specifications or descriptive literature submitted with your offer.

DISCUSSIONS WITH BIDDERS (JANUARY 2006) After opening, the Procurement Officer may, in his sole discretion, initiate discussions with you to discuss your bid. Discussions are possible only if your bid is apparently responsive and only for the purpose of clarification to assure your full understanding of the solicitation's requirements. Any discussions will be documented in writing and shall be included with the bid.

OPENING PROPOSALS - PRICES NOT DIVULGED (JAN 2006): In competitive sealed proposals, prices will not be divulged at opening. [§ 11-35-1530 & R. 19-445.2095(c) (1)]

PROTEST – CPO - MMO ADDRESS (JUNE 2006): Any protest must be addressed to the Chief Procurement Officer, Materials Management Office, and submitted in writing (a) by email to [protest-mmo@mmo.state.sc.us](mailto:protest-mmo@mmo.state.sc.us), (b) by facsimile at 803-737-0639, or (c) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201.

**III. SCOPE OF WORK/SPECIFICATIONS/PROPOSAL REQUIREMENTS**

TABLE OF CONTENTS

I. INFORMATION FURNISHED BY THE REQUESTOR..... 11

    Requestor's Address and Recipient of Proposals..... 11

    Nature of Services Required..... 11

    Description of Entity and Records ..... 12

    Assistance Available to Offeror ..... 13

    Report Requirements..... 13

    Time Considerations and Requirements..... 14

    Contractual Arrangements..... 14

    Working Papers ..... 15

    Right to Reject..... 15

II. INFORMATION REQUESTED FROM THE OFFEROR..... 15

    Title Page..... 15

    Table of Contents ..... 15

    Letter of Transmittal..... 15

    Profile of the Offeror..... 16

    Mandatory Criteria ..... 16

    Summary of the Offeror's Qualifications..... 16

    Offeror’s Approach to the Audit ..... 17

    Compensation..... 17

    Additional Data ..... 17

III. EVALUATION OF PROPOSALS ..... 18

    Experience and Qualifications Factor..... 18

    Responsiveness of Proposal Factor ..... 18

    Cost Factor ..... 18

## I. INFORMATION FURNISHED BY THE REQUESTOR

Requestor's Address and Recipient of Proposals

The Requestor is:

Winthrop University  
108 Tillman Hall  
Rock Hill, SC 29733

Questions concerning the proposal should be directed to:

Linda Campfield  
Assistant Director, Procurement Services  
Winthrop University  
307 Tillman Hall  
Rock Hill, SC 29733  
(803) 323 2143  
campfieldL@winthrop.edu

To qualify for consideration, one original and four (4) copies of your proposal and five copies of your latest external quality review report along with any written comments must be received at Winthrop University's Procurement Office by February 5, 2008, at 3:00 pm. The proposal should be addressed to Linda Campfield, Assistant Director, Procurement Services, at the address above. Late proposals will be rejected as not meeting the mandatory RFP requirements. Your proposal must strictly comply with the required format.

### **Nature of Services Required**

Each proposal must address itself to providing the following services:

- Financial and Compliance Audit – Winthrop University

Each proposal must address itself to the conduct of an audit and expression of an opinion upon Winthrop University's financial statements for the years ended June 30, 2008, 2009, 2010, 2011, and 2012. The proposal must address itself to the conduct and performance of an audit in accordance with auditing standards generally accepted in the United States of America and the provisions of Government Auditing Standards issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the U. S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments and Non-Profit Organizations. The audit must include audit procedures to ensure compliance with State Laws, Rules and Regulations that, if not followed, could materially affect the basic financial statements.

- NCAA Agreed Upon Procedures

Each proposal must address itself to the conduct of the NCAA Division I required audit and expression of an opinion upon the Statement of Revenues, Expenditures and Transfers of the intercollegiate athletics programs of the University for the years ending June 30, 2008, 2009, 2010, 2011, and 2012. The NCAA required audit must be performed in accordance with auditing standards generally accepted in the United States of America and include the minimum agreed-upon procedures as prescribed by the NCAA's financial audit guidelines: ([http://www1.ncaa.org/membership/ed\\_outreach/eada/procedures.pdf](http://www1.ncaa.org/membership/ed_outreach/eada/procedures.pdf)).

- The University may require assistance from the successful Offeror to assist with technical issues, for example, the University may request the successful Offeror's assistance in reviewing policy and presentation issues related to GASB pronouncements. The proposal must specify rates for providing such services.

- Each proposal must address itself to the following services:
  - Additional auditing or accounting services:
    - To supplement audit services, or
    - Due to a material change in the scope of work for required services.
  - Assessment of administrative computer or internal controls related to automated administrative systems.
  - Assistance in tax issues for higher education institutions.
  - Assistance in bond issues topics.
  - Other consulting services offered to higher education institutions.

The successful Offeror may provide additional professional services to address areas of special emphasis defined by the University. Optional professional services must be specified on an hourly rate by staffing and skill level.

- **Winthrop University's financial statements are included in the statewide GAAP financial statements for the State of South Carolina (State). It is of extreme importance, therefore, that you meet the preliminary draft and final report delivery dates set out in this RFP.**
- A formal entrance conference will be held annually to review audit objectives and strategies, current year considerations, the impact of new accounting and auditing developments, the coordination of effort between audit teams, and any changes in the State deadlines.
- You must deliver to the office of the Controller and to the Office of the SC Comptroller General, no later than 4:30 p.m. on the dates specified in the Time Considerations and Requirements section of this RFP, the final audit report in .pdf format. The report should be emailed to [controllersoffice@winthrop.edu](mailto:controllersoffice@winthrop.edu). The Controller's Office will provide to the successful Offeror the appropriate email address for the SC Comptroller General. In addition, a minimum of 15 bound copies for general distribution are to be delivered to the office of the Controller located in Tillman Hall, Room 19, and a copy mailed to each of the current board members. A formal exit conference will be held with a representative of Winthrop University. The University is to be given an opportunity to provide a written response to any auditor's comments regarding significant deficiencies and material weaknesses. Responses will be included in the bound audit report when it is issued.
- The University may include the audited financial statements in documents issued in connection with the issuance of bonds.

### **Description of Entity and Records**

Winthrop University is physically located in Rock Hill, South Carolina, and financial records are maintained primarily in the accounting office in Tillman Hall.

The financial statements represent all activities of the University and its two component units which are discretely presented. The financial statements of both component units are audited by other external auditors.

The accounting records are processed electronically. Details and a description of the systems will be provided at the pre-proposal vendor conference. The June 30, 2007 financial and compliance audit reports issued by Cline, Brandt, Kochenower & Company were unqualified. The June 30, 2007 NCAA Division I required audit report issued by Cline, Brandt, Kochenower & Company is currently in progress. The June 30, 2006 AUP report did not include any auditor's comments.

A copy of the 2007 financial and compliance audit report and the 2006 NCAA AUP report may be obtained from the State Auditor's web page: <http://www.osa.state.sc.us/statereports/winthrop/>.

## **Assistance Available to Offeror**

Previous auditor work papers will be made available to the successful Offeror. Arrangements to obtain the previous auditor work papers must be made with Cline, Brandt, Kochenower & Co., P.A., 1225 West Floyd Baker Boulevard, Gaffney, SC 29342 – telephone: (864) 489-7121.

Do not assume that accounting or internal audit staff will be available to prepare schedules. Accounting staff generally will pull requested documents. The University's staff will prepare a preliminary trial balance and draft financial statements including adjusting entries proposed by the auditor and accepted by the University.

A pre proposal conference will be held on the campus of Winthrop University at 10 AM on Thursday, January 17, 2008. Representatives of the University will meet with prospective Offerors to answer questions about the RFP, the proposed audit, and the records to be audited. Please bring with you a copy of the 2007 financial and compliance audit report and RFP as no additional copies will be available at the pre-proposal vendor conference. Directions to the campus and the campus map can be downloaded from the following address:

[http://www.winthrop.edu/visitor/vis\\_directions.htm](http://www.winthrop.edu/visitor/vis_directions.htm)

## **Report Requirements**

### **Financial and Compliance Audit**

The University will be accounted for as a business type activity. The financial report will consist of a set of combined financial statements; namely, (a) statement of net assets, (b) statement of revenues, expenses, and changes in net assets, (c) statement of cash flows.

The independent auditors' report on the financial statements is to be addressed to Winthrop University. The auditors' report must describe the nature of the audit and that the audit was performed in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* issued by the Comptroller General of the United States. The report must include an opinion as to whether the statements conform to accounting principles generally accepted in the United States of America. A presentation to Winthrop University will be required annually.

A Schedule of Expenditures of Federal Awards as required by OMB Circular A-133 must be included. The Schedule of Expenditures of Federal Awards must list, by federal funding source and federal program (Catalog of Federal Domestic Assistance Number and Grant or Contract Number), each grant or other form of financial assistance and its annual expenditures.

A management letter is to be prepared each year with emphasis on improvement of internal controls related to the financial statements, accounting practices, the accounting system, legality of actions, instances of noncompliance with laws and regulations, and any other material matters. The report must include specific statements indicating whether conditions noted in prior auditor's comments or findings have been corrected or still exist. The report will be addressed to Winthrop University.

All reports are required to be submitted via email in .pdf format to the Controller's Office, [controllersoffice@winthrop.edu](mailto:controllersoffice@winthrop.edu), and the SC Comptroller's Office (appropriate email address will be provided by the University to the successful Offeror). In addition, a minimum of 15 bound copies for general distribution are to be delivered to the Controller's Office, 19 Tillman Hall, Winthrop University, Rock Hill, SC 29733, and a copy mailed to each of the current board members..

### **NCAA AUP**

The independent auditors' report on the Intercollegiate Athletics Program Statement of Revenues, Expenditures and Transfers is to be addressed to Winthrop University. Requirements for the NCAA required report are specified in the NCAA Financial Audit Guidelines under the heading "Auditor's Report". A complete text of the guidelines can be downloaded from the NCAA web page at [http://www1.ncaa.org/membership/ed\\_outreach/eada/procedures.pdf](http://www1.ncaa.org/membership/ed_outreach/eada/procedures.pdf).

A management letter, if required, should include a statement of audit findings and recommendations affecting the financial statements, internal control, accounting system, legality of actions, other instances of noncompliance with laws and regulations, and any other material matters. Please refer to the NCAA Financial Audit Guidelines for a discussion of the auditor's responsibilities for violations of NCAA Legislation.

The report must include specific statements indicating whether conditions noted in prior auditor's comments or findings have been corrected or still exist.

A presentation to the Board will not be required unless specifically requested.

**Time Considerations and Requirements**

The pre-proposal conference will be held at 10 AM January 17, 2008.

Proposals must be submitted no later than 3:00 p.m., February 5, 2008.

Audit work may begin at a time mutually agreed upon by the successful Offeror and the University Controller.

Preliminary drafts, including auditor's opinion letter and management letter, and final reports must be submitted to the University's Controller's Office and the State of South Carolina's Comptroller General's Office in .pdf format no later than 4:30 p.m. EDT on the following dates of each respective year:

	<u>Preliminary Drafts</u>	<u>Final Reports</u>
Financial Statement Audit	September 20	October 5
OMB A-133 Audit	September 20	October 5
NCAA AUP	December 1	December 8

These are absolute deadlines because the audited financial statements will be incorporated in the South Carolina Comprehensive Annual Financial Report. Annually, prior to the start of an audit, the University will update the auditor on any required changes in report deadlines.

**Contractual Arrangements**

An award letter will be issued by the University to the successful Offeror. The award letter will specify the maximum fee to be paid for performance of the proposed audit as set forth in the successful proposal and will be for the fiscal years ending June 30, 2008, 2009, 2010, 2011, and 2012.

The Vice President of Finance and Business must approve any expansion of services resulting in an increase in the maximum fee. Winthrop University understands that there may be additional audit work required if new GASB or SAS statements are issued. If the successful Offeror wishes to negotiate an increase in the maximum fee due to changes in the scope of the audit which is required by new GASB or SAS statements that are issued on or after February 1, 2008, the Offeror must submit the request in writing no later than January 2 of the calendar year in which the change in fee is to take place. If an agreement on the proposed fee increase cannot be reached, the University or Offeror can cancel the remainder of this agreement, without cause, by written notice delivered no less than 120 days prior to any fiscal year end.

The proposal must include a statement that either the University or the successful Offeror can cancel this agreement, without cause, by written notice delivered no less than 120 calendar days prior to any fiscal year end.

Progress billings will be accepted up to 50% of the total fee. Billings are to be addressed to the Controller's Office, 19 Tillman Hall, Winthrop University, Rock Hill, SC 29733. Billing for the final 50% of the fee will be accepted upon delivery of the bound reports. The University reserves the right to adjust the percentages (up or down) based on your meeting agreed delivery dates in previous year(s). All invoices must include your Federal Employer Identification number.

You must deliver to the Controller's Office (via email to [controllersoffice@winthrop.edu](mailto:controllersoffice@winthrop.edu)) no later than 4:30 p.m. EDT on the dates specified in the Time Considerations and Requirements section of this RFP, to the address noted above, the draft and final audit report in .pdf format. In addition, a minimum of 15 bound copies for general distribution are to be delivered to the Controller's Office and a copy mailed to each of the current board members.

## **Working Papers**

Working papers will be retained by the successful Offeror for three years or until advised otherwise in writing by the University. The working papers must be made available onsite without charge for examination by representatives of the University and the Federal Government. In addition, the successful offeror must make all working papers physically available at the audit site without charge to the auditor who audits the subsequent fiscal year.

## **Right to Reject**

The University reserves the right to reject any and all proposals submitted, and to request additional information from all Offerors. Any award made will be made to the firm that, in the opinion of the University, is best qualified.

## **II. INFORMATION REQUESTED FROM THE OFFEROR**

The following outline includes all the information called for in the RFP.

### **Title Page**

Show the RFP subject, the name of the Offeror's firm, local address, telephone number, name and title of the contact person, and the date of submission.

### **Table of Contents**

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

### **Letter of Transmittal**

Limit to one or two pages.

1. Briefly state the Offeror's understanding of the work to be done and make a positive commitment to perform the work within the time periods stated herein.
2. State that:
  - a) The audit is being performed on behalf of Winthrop University.
  - b) Winthrop University is your client.
  - c) The University will be responsible for payment of the audit fees.
  - d) The University or the successful Offeror can cancel this agreement, without cause, by written notice delivered no less than 120 calendar days prior to any fiscal year end.

3. State the all-inclusive fee for which the audit work will be done for each of the five years to be audited. State that this all-inclusive fee includes all out of pocket costs.

State the separate fee, if any, to review bond documents that include the audited financial statements. This must be an all-inclusive, per issue amount.

State the separate hourly rates, by position, for consulting services outside the scope of the audit (e.g., implementation of GASB directives).

4. State the names of the persons who will be authorized to make representations for the Offeror, their titles, addresses, telephone numbers, fax numbers, and email addresses.
5. State that the person signing the letter will be authorized to bind the Offeror.
6. State the name of the partner assigned to this engagement and the name of the partner assigned the responsibility for the quality of the report and working papers. Give their telephone numbers, fax numbers and email addresses for use by the University.
7. State that the partner(s) and auditor-in-charge assigned to this engagement will be furnished copies of this RFP and their attention will be specifically directed to the following captions in Section I:

Nature of Services Required  
Report Requirements  
Time Considerations and Requirements  
Contractual Arrangements  
Working Papers

8. State the firm's policy regarding client notification of firm changes in key personnel on an engagement. State that the client will be notified when changes occur.
9. State that the partner responsible for report quality will submit with the preliminary draft a signed statement certifying that, in the responsible partner's professional opinion, the preliminary draft is a completed document and ready to be issued.

### **Profile of the Offeror**

1. State whether the firm is local, regional, national, or international.
2. State 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.
3. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or management services.

### **Mandatory Criteria**

1. Affirm that the Offeror is a properly licensed certified public accountant.
2. Affirm that the Offeror is either currently licensed in South Carolina or is a nonresident properly registered under Section 40-2-250 of the 1976 South Carolina Code of Laws, as amended, and the associated Regulation, 1-10. An affirmation that a nonresident Offeror will become properly registered prior to commencing work will be acceptable.
3. Affirm that the Offeror meets the independence standards of the Government Auditing Standards issued by the Comptroller General of the United States.
4. Affirm that the Offeror does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age or physical handicap.
5. Certify that, in accordance with Section 44-107-10 through 44-107-90 of the 1976 South Carolina Code of Laws, as amended, you will provide a drug-free workplace during the term of this contract.
6. Affirm that the Offeror has not been suspended/debarred from doing federal audits.
7. Affirm that the Offeror will maintain on file with the University Purchasing office a Certificate of Insurance for the protection of Winthrop University. The successful Offeror shall maintain throughout the performance of its obligations under this contract a policy or policies of Workers' Compensation Insurance, a policy or policies of general liability insurance, and a policy or policies of Automobile Liability Insurance.

### **Summary of the Offeror's Qualifications**

1. State the identity of the supervisors who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each supervisory person to be assigned to the audit should be included. (The resumes may be included as an appendix). Specify governmental CPE attended in the past 24 months by the partner(s) and auditor-in-charge to be assigned to this audit.
2. Describe the recent local office auditing experience similar to the type of audit requested, and give the names and telephone numbers of client officials responsible for three of the audits listed.

3. State that your firm is aware of the current GAO Yellow Book requirements concerning continuing education and peer review and that you will comply with them during the term of this contract.

### **Offeror's Approach to the Audit**

Submit a work plan to accomplish the scope defined in Section 1 of this RFP. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named. The planned use of specialists should be specified.

1. Financial Audit

- a) State that the audit will be made in accordance with auditing standards generally accepted in the United States of America and the provisions of *Government Auditing Standards* issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and, the provisions of the U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*.
- b) State that the primary purpose of the audit is to express an opinion on the financial statements and that an audit is subject to the inherent risk that errors or irregularities may not be detected. State that if conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if any other circumstances are encountered that require extended services, the auditor will promptly advise the Chairman of the Finance Committee and the Internal Audit office. And finally, state that no extended services will be performed unless they are authorized in writing by the Vice President of Finance and Business.

2. Compliance Audit

State that in accordance with the auditing standards set forth in Section 1 of the RFP, Nature of Services Required, the Offeror will select the necessary procedures to test compliance and to disclose noncompliance with specified laws, regulations, and contracts.

3. NCAA AUP

- a) State that the engagement will be performed in accordance with the auditing standards generally accepted in the United States of America and include the minimum agreed-upon procedures as prescribed by the NCAA's financial audit guidelines ([http://www1.ncaa.org/membership/ed\\_outreach/eada/procedures.pdf](http://www1.ncaa.org/membership/ed_outreach/eada/procedures.pdf)).
- b) State that the primary purpose of the engagement is to issue an opinion as required by NCAA regulations on the Statement of Revenues, Expenditures and Transfers and that the engagement is subject to the inherent risk that errors or irregularities may not be detected. State that if conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if any other circumstances are encountered that require extended services, the auditor will promptly advise the Chairman of the Finance Committee and the Internal Audit office. Finally, state that no extended services will be performed unless they are authorized in writing by the Vice President of Finance and Business .

### **Compensation**

State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum fee, including out of pocket costs, for which the requested work will be done. A separate all-inclusive fee must be stated for each of the five years. State a separate all-inclusive, per issue fee to be charged to review bond documents which include the audited financial statement. State a separate hourly fee, by position, for consulting services.

### **Additional Data**

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The Offeror's general information publications, such as directories or client lists, should not be included. If there is no additional information to present, state, "There is no additional information we wish to present".

### III. EVALUATION OF PROPOSALS

The following factors will be considered during our evaluation.

#### **Experience and Qualifications Factor**

- Technical experience of firm in public higher education institutions in the State of South Carolina.
- Qualifications of proposed audit team's experience and professional education, including recent pertinent continuing education.
- Public Higher Educations' prior experience with the firm with emphasis on report and work quality and track record of meeting agreed upon delivery dates.
- Experience in interpreting policies and procedures implemented by the South Carolina Agencies of Materials Management Office, Attorney General, Office of the State Auditor and Comptroller General's Office.
- Experience with US Department of Education Title IV Programs.
- Knowledge of Public Higher Education Accounting software – particularly Sungard Series-Z and Banner.
- Experience in Comprehensive Annual Financial Report certification.
- Experience in Forensic accounting and risk management assessment.
- Financial services offered.
- Appropriateness of assigned staff levels.
- Size and structure of firm.

#### **Responsiveness of Proposal Factor**

Responsiveness of the proposal in clearly stating your understanding of the work to be performed, including making all required statements and affirmations. Evaluators will consider:

- Appropriateness and adequacy of proposed procedures.
- Necessity of procedures.
- Reasonableness of time estimates.
- Commitment to meet the deadlines stated herein.

#### **Cost Factor**

Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all the other evaluation criteria are considered. Our general approach is to first identify all qualified, responsive Offerors and then to award the audit to the Offeror in that group based on the evaluation factors.

If there is reason to believe that an unreasonably low proposal has been made, it will be rejected. One method of measuring reasonableness is to divide the proposed cost by a reasonable average hourly rate to show hours of effort that might be expected.

Any proposal which does not include all the required statements and affirmations called for in Section II may be rejected as not being responsive.

#### **IV. INFORMATION FOR OFFERORS TO SUBMIT GENERAL (JAN.2006)**

INFORMATION FOR OFFERORS TO SUBMIT - EVALUATION (JANUARY 2006): In addition to information requested elsewhere in this solicitation, Offerors should submit the following information for purposes of evaluation:

1. **Title Page**
2. **Table of Contents**
3. **Letter of Transmittal**
4. **Profile of the Offeror**
5. **Mandatory criteria as described within this document**
6. **Summary of the Offeror's Qualifications**
7. **Offeror's Approach to the Audit**
8. **Offeror's Desired Compensation**
9. **Any Additional Requirement the Offeror may need not defined within this document**

#### **V. QUALIFICATIONS**

QUALIFICATION OF OFFEROR (JANUARY 2006): To be eligible for award of a contract, a prospective contractor must be responsible. In evaluating an Offeror's responsibility, the State Standards of Responsibility [R.19-445.2125] and information from any other source may be considered. An Offeror must, upon request of the State, furnish satisfactory evidence of its ability to meet all contractual requirements. Unreasonable failure to supply information promptly in connection with a responsibility inquiry may be grounds for determining that you are ineligible to receive an award. S.C. Code Section 11-35-1810.

SUBCONTRACTOR – IDENTIFICATION (JANUARY 2006): If you intend to subcontract with another business for any portion of the work and that portion exceeds 10% of your price, your offer must identify that business and the portion of work which they are to perform. Identify potential subcontractors by providing the business' name, address, phone, taxpayer identification number, and point of contact. In determining your responsibility, the state may evaluate your proposed subcontractors.

#### **VI. AWARD CRITERIA**

AWARD CRITERIA – PROPOSALS (JAN 2006): Award will be made to the highest ranked, responsive and responsible Offeror whose offer is determined to be the most advantageous to Winthrop University.

AWARD TO ONE OFFEROR (JANUARY 2006): Award will be made to one Offeror.

EVALUATION FACTORS – PROPOSALS (JAN 2006): Offers will be evaluated using only the factors stated below. Evaluation factors are stated in the relative order of importance, with the first factor being the most important. Once evaluation is complete, all responsive Offerors will be ranked from most advantageous to least advantageous.

##### **A. Experience and Qualifications Factor**

- Technical experience of firm in public higher education institutions in the State of South Carolina.
- Qualifications of proposed audit team's experience and professional education, including recent pertinent continuing education.
- Public Higher Educations' prior experience with the firm with emphasis on report and work quality and track record of meeting agreed upon delivery dates.
- Experience in interpreting policies and procedures implemented by the South Carolina Agencies of Materials Management Office, Attorney General, Office of the State Auditor and Comptroller General's Office.
- Experience with US Department of Education Title IV Programs.
- Knowledge of Public Higher Education Accounting software – particularly Sungard Series-Z and Banner.
- Experience in Comprehensive Annual Financial Report certification.
- Experience in Forensic accounting and risk management assessment.
- Financial services offered.
- Appropriateness of assigned staff levels.
- Size and structure of firm.

**B. Responsiveness of Proposal Factor**

Responsiveness of the proposal in clearly stating your understanding of the work to be performed, including making all required statements and affirmations. Evaluators will consider:

- Appropriateness and adequacy of proposed procedures.
- Necessity of procedures.
- Reasonableness of time estimates.
- Commitment to meet the deadlines stated herein.

**C. Cost**

NEGOTIATIONS (JAN 2006): The Procurement Officer may elect to make an award without conducting negotiations. However, after the offers have been ranked, the Procurement Officer may elect to negotiate price or the general scope of work with the highest ranked Offeror. If a satisfactory agreement cannot be reached, negotiations may be conducted with the second, and then the third, and so on, ranked Offerors to such level of ranking as determined by the Procurement Officer.

AWARD CRITERIA – BIDS (JANUARY 2006): Award will be made to the lowest responsible and responsive bidder(s).

**VII. TERMS AND CONDITIONS – A. GENERAL**

ASSIGNMENT (JANUARY 2006): No contract or its provisions may be assigned, sublet, or transferred without the written consent of the Procurement Officer.

BANKRUPTCY (JANUARY 2006): (a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Using Governmental Unit. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this Contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the contractor's insolvency, including the filing of proceedings in bankruptcy.

CHOICE-OF-LAW (JANUARY 2006): 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.

CONTRACT DOCUMENTS & ORDER OF PRECEDENCE (JANUARY 2006): (a) Any contract resulting from this solicitation shall consist of the following documents: (1) a Record of Negotiations, if any, executed by you and the Procurement Officer, (2) documentation regarding the clarification of an offer [e.g., 11-35-1520(8) or 11-35-1530(6)], if applicable, (3) the solicitation, as amended, (4) modifications, if any, to your offer, if accepted by the Procurement Officer, (5) your offer, (6) any statement reflecting the state's final acceptance (a/k/a "award"), and (7) purchase orders. These documents shall be read to be consistent and complimentary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. (b) The terms and conditions of documents (1) through (6) above shall apply notwithstanding any additional or different terms and conditions in either (i) a purchase order or other instrument submitted by the State or (ii) any invoice or other document submitted by Contractor. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect. (c) No contract, license, or other agreement containing contractual terms and conditions will be signed by any Using Governmental Unit. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect.

DISCOUNT FOR PROMPT PAYMENT (JANUARY 2006)

(a) Discounts for prompt payment will not be considered in the evaluation of offers. However, any offered discount will form a part of the award, and will be taken if payment is made within the discount period indicated in the offer by the Offeror. As an alternative to offering a discount for prompt payment in conjunction with the offer, Offerors awarded contracts may include discounts for prompt payment on individual invoices.

(b) In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. If the Contractor has not placed a date on the invoice, the due date shall be calculated from the date the designated billing office receives a proper invoice, provided the state annotates such invoice with the date of receipt at the time of receipt. For the purpose of computing

the discount earned, payment shall be considered to have been made on the date that appears on the payment check or, for an electronic funds transfer, the specified payment date. When the discount date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day.

**DISPUTES (JANUARY 2006):** (1) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United States Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. (2) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

**EQUAL OPPORTUNITY (JANUARY 2006).** Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference.

**FALSE CLAIMS (JANUARY 2006):** According to the S.C. Code of Laws § 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime.

**FIXED PRICING REQUIRED (JANUARY 2006):** Any pricing provided by contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, contractor's price shall be fixed for the duration of this contract, including option terms. This clause does not prohibit contractor from offering lower pricing after award.

**NON-INDEMNIFICATION (JANUARY 2006):** Any term or condition is void to the extent it requires the State to indemnify anyone.

**NOTICE (JANUARY 2006):** (A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to contractor shall be to the address identified as the Notice Address on Page Two. Notice to the state shall be to the Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph.

**PAYMENT (JANUARY 2006):** (a) The Using Governmental Unit shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified in this contract, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless the purchase order specifies another method of payment, payment will be made by check. (c) Payment and interest shall be made in accordance with S.C. Code Section 11-35-45. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable.

**PUBLICITY (JANUARY 2006):** Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer.

**PURCHASE ORDERS (JANUARY 2006):** Contractor shall not perform any work prior to the receipt of a purchase order from the using governmental unit. The using governmental unit shall order any supplies or services to be furnished under this contract by issuing a purchase order. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order.

**SETOFF (JANUARY 2006)** The state shall have all of its common law, equitable, and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the state with regard to this contract, any other contract with any state department or

agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the state for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto.

**SURVIVAL OF OBLIGATIONS (JANUARY 2006):** The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Intellectual Property Indemnification, and any provisions regarding warranty or audit.

**TAXES (JANUARY 2006):** Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor.

**TERMINATION DUE TO UNAVAILABILITY OF FUNDS (JANUARY 2006)** Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefor. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled. In the event of a cancellation pursuant to this paragraph, contractor will be reimbursed the resulting unamortized, reasonably incurred, nonrecurring costs. Contractor will not be reimbursed any costs amortized beyond the initial contract term.

**THIRD PARTY BENEFICIARY (JANUARY 2006)** This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise.

**WAIVER (JANUARY 2006)** The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing.

## **VII. TERMS AND CONDITIONS – B. SPECIAL**

**CISG (JANUARY 2006):** The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement.

**COMPLIANCE WITH LAWS (JANUARY 2006):** During the term of the contract, contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs.

**CONTRACTOR PERSONNEL (JANUARY 2006):** The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.

**CONTRACTOR'S OBLIGATION – GENERAL (JANUARY 2006):** The contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The contractor must act as the prime contractor and assume full responsibility for any subcontractor's performance. The contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements.

**INTELLECTUAL PROPERTY INFRINGEMENT (JANUARY 2006)** (a) Without limitation and notwithstanding any provision in this agreement, Contractor shall, upon receipt of notification, defend and indemnify the State, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees against all actions, proceedings or claims of any nature (and all damages, settlement payments, attorneys' fees (including inside counsel), costs, expenses, losses or liabilities attributable thereto) by any third party asserting or involving an IP right related to an acquired item. State shall allow Contractor to defend such claim so long as the defense is diligently and capably prosecuted. State shall allow Contractor to settle such claim so long as (i) all settlement payments are made by Contractor, and (ii) the settlement imposes no non-monetary obligation upon State. State shall reasonably cooperate with Contractor's defense of such claim. (b) In the event an injunction or order shall be obtained against State's use of any acquired item, or if in Contractor's opinion, the acquired item is likely to become the subject of a

claim of infringement or violation of an IP right, Contractor shall, without in any way limiting the foregoing, and at its expense, either: (1) procure for State the right to continue to use, or have used, the acquired item, or (2) replace or modify the acquired item so that it becomes non-infringing but only if the modification or replacement does not adversely affect the specifications for the acquired item or its use by State. If neither (1) nor (2), above, is practical, State may require that Contractor remove the acquired item from State, refund to State any charges paid by State therefor, and take all steps necessary to have State released from any further liability. (c) Contractor's obligations under this paragraph do not apply to a claim to the extent (i) that the claim is caused by Contractor's compliance with specifications furnished by the State unless Contractor knew its compliance with the State's specifications would infringe an IP right, or (ii) that the claim is caused by Contractor's compliance with specifications furnished by the State if the State knowingly relied on a third party's IP right to develop the specifications provided to Contractor and failed to identify such product to Contractor. (d) As used in this paragraph, these terms are defined as follows: "IP right(s)" means a patent, copyright, trademark, trade secret, or any other proprietary right. "Acquired item(s)" means the rights, goods, or services furnished under this agreement. "Specification(s)" means a detailed, exact statement of particulars such as a statement prescribing materials, dimensions, and quality of work. (e) Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of this Agreement.

**MATERIAL AND WORKMANSHIP (JANUARY 2006):** Unless otherwise specifically provided in this contract, all equipment, material, and articles incorporated in the work covered by this contract are to be new and of the most suitable grade for the purpose intended.

**RELATIONSHIP OF THE PARTIES (JANUARY 2006):** Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party.

**SHIPPING / RISK OF LOSS (JANUARY 2006) F.O.B. Destination.** Destination is the shipping dock of the Using Governmental Units' designated receiving site, or other location, as specified herein. (See Delivery clause)

**TERM OF CONTRACT – EFFECTIVE DATE / INITIAL CONTRACT PERIOD (JAN 2006):** 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.

**TERM OF CONTRACT – OPTION TO RENEW (JAN 2006):** At the end of the initial term, and at the end of each renewal term, this contract shall automatically renew for a period of one year, unless contractor receives notice that the state elects not to renew the contract at least thirty (30) days prior to the date of renewal. Regardless, this contract expires no later than the last date stated on the final statement of award.

**YEAR 2000 WARRANTY (JANUARY 2006):** Contractor represents and warrants that the equipment is designed to be used prior to, during, and after the calendar year 2000 A.D., and that the equipment will operate during each such time period without error relating to date data, specifically including any error relating to, or the product of, date data which represents or references different centuries or more than one century.

## **VIII. BIDDING SCHEDULE/COST PROPOSAL**

**PRICE PROPOSAL (JANUARY 2006):** Notwithstanding any other instructions herein, you shall submit the following price information as a separate sealed document:

## IX. ATTACHMENTS TO SOLICITATION

### IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

The withholding requirement applies to every governmental entity that uses a contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

-----  
Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

-----  
For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at [www.sctax.org](http://www.sctax.org).

-----  
This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-898-5383.



STATE OF SOUTH CAROLINA  
 DEPARTMENT OF REVENUE **NONRESIDENT  
 TAXPAYER  
 REGISTRATION AFFIDAVIT  
 INCOME TAX WITHHOLDING**

**I-312**  
 (Rev. 5/7/04)  
 3323

**The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:**

- 1. Name of Nonresident Taxpayer: \_\_\_\_\_
- 2. Trade Name, if applicable (Doing Business As): \_\_\_\_\_
- 3. Mailing Address: \_\_\_\_\_
- 4. Federal Identification Number: \_\_\_\_\_
- 5. Hiring or Contracting with: \_\_\_\_\_
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Receiving Rentals or Royalties From: \_\_\_\_\_
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Beneficiary of Trusts and Estates: \_\_\_\_\_
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_

6. I hereby certify that the above named nonresident taxpayer is currently registered with  
**(check the appropriate box):**

<input type="checkbox"/> The South Carolina Secretary of State or	
<input type="checkbox"/> The South Carolina Department of Revenue	

Date of Registration: \_\_\_\_\_

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Sections 12-8-540 (rentals), 12-8-550 (temporarily doing business or professional services in South Carolina), and 12-8-570 (distributions to nonresident beneficiary by trusts or estates) at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-44 (B) (6) (a) (i), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
 Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant) (Seal) \_\_\_\_\_  
 Date

If Corporate officer state title: \_\_\_\_\_  
 \_\_\_\_\_

(Name - Please Print)

**Mail to:** The company or individual you are contracting with.

# OFFEROR'S CHECKLIST

## *AVOID COMMON BIDDING MISTAKES*

Review this checklist prior to submitting your bid.  
If you fail to follow this checklist, you risk having your bid rejected.

DO NOT INCLUDE ANY OF YOUR STANDARD CONTRACT FORMS!

UNLESS EXPRESSLY REQUIRED, DO NOT INCLUDE ANY ADDITIONAL BOILERPLATE CONTRACT CLAUSES.

REREAD YOUR ENTIRE BID TO MAKE SURE YOUR BID DOES NOT TAKE EXCEPTION TO ANY OF THE STATE'S MANDATORY REQUIREMENTS.

Make sure you have properly marked all protected, confidential, or trade secret information in accordance with the heading entitled: foia bidding instructions, submitting confidential information. do not mark your entire bid as confidential, trade secret, or protected! Do not include a legend on the cover stating that your entire response is not to be released!

Have you properly acknowledged all amendments? Instructions regarding how to acknowledge an amendment should appear in all amendments issued.

Make sure your bid includes a copy of the solicitation cover page. Make sure the cover page is signed by a person that is authorized to contractually bind your business.

Make sure your bid includes the number of copies requested.

Check to ensure your bid includes everything requested!

Check again to ensure your bid includes everything requested!

If you have concerns about the solicitation, do not raise those concerns in your response! After opening, it is too late! If this solicitation includes a pre-bid conference or a question & answer period, raise your questions as a part of that process! Please see bidding instructions and any provisions regarding pre-bid conferences.

This checklist is included only as a reminder to help bidders avoid common mistakes.  
Responsiveness will be evaluated against the solicitation, ***not*** against this checklist.  
You do not need to return this checklist with your response.

**THIS IS THE END OF THIS DOCUMENT**