



FINANCE DEPARTMENT

RFP #25-37-FIN

PROFESSIONAL AUDITING SERVICES

Date of Issue: May 9, 2025

Questions Due Date: May 16, 2025 (Friday) at 12:00 PM

Intent to Bid Due Date: May 16, 2025 (Friday)

Proposal Due Date: May 27, 2025 (Tuesday) at 2:00 PM

Direct all inquiries concerning this RFP to:

Sophia Murnahan

Purchasing Manager

Email: CumberlandPurchasing@cumberlandcountync.gov

Phone: 910-678-7743

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

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1.0 PURPOSE AND BACKGROUND

The Board of County Commissioners of Cumberland County (hereinafter called the County) invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal. Cumberland County is a local government in North Carolina with a population of approximately 340,000.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the County. The Vendor consents to personal jurisdiction and venue in a state court of competent jurisdiction in Cumberland County, North Carolina.

2.0 PROPOSAL INSTRUCTIONS & REQUIREMENTS

2.1 REQUEST FOR PROPOSAL DOCUMENT

The RFP is comprised of the base RFP document, any attachments, and any addenda released before contract award. All attachments and addenda released for this RFP in advance of any contract award are incorporated herein by reference. By submitting a proposal, the vendor agrees to meet all stated requirements in this section as well as any other specifications, requirements and terms and conditions stated in this RFP. If a vendor is unclear about a requirement or specification or believes a change to a requirement would allow for the County to receive a better proposal, the vendor is urged and cautioned to submit these items in the form of a question during the question and answer period in accordance with Section 2.3.

Vendors shall populate all attachments of this RFP that require the vendor to provide information and include an authorized signature where requested. Failure to include required documents and/or signatures, where requested, will result in rejection of submitted proposals.

2.2 PROPOSAL SUBMITTAL

Proposals, subject to the conditions made a part hereof and the receipt requirements described below, shall be received at the address indicated in the table below.

Mailing address for delivery of proposal via US Postal Service	Office address of delivery by any other method (special delivery, overnight, or any other carrier)
<p><i>PROPOSAL TITLE:</i> <i>RFP #25-37-FIN Professional Auditing Services</i></p> <p><i>Cumberland County Finance Department</i> <i>Attn: Sophia Murnahan, Purchasing Manager</i> <i>PO Box 1829</i> <i>Fayetteville, NC 28302</i></p>	<p><i>PROPOSAL TITLE:</i> <i>RFP #25-37-FIN Professional Auditing Services</i></p> <p><i>Cumberland County Finance Department</i> <i>Attn: Sophia Murnahan, Purchasing Manager</i> <i>117 Dick Street</i> <i>4th Floor, Room 451, Finance Department</i> <i>Fayetteville, NC 28301</i></p>
Email address for delivery of proposal electronically	
<p><i>SUBJECT LINE: RFP #25-37-FIN Professional Auditing Services</i> <u>cumberlandpurchasing@cumberlandcountync.gov</u></p>	

IMPORTANT NOTE: All proposals shall be physically delivered to the office address listed above or if submitting electronically received by the email address listed above **on or before 2:00 PM, Tuesday, May 27, 2025**, per the clock in the Purchasing Department, regardless of the method of delivery. All risk of late arrival due to unanticipated delay—

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whether delivered by email, hand, U.S. Postal Service, courier or other delivery service is entirely on the vendor. It is the sole responsibility of the vendor to have the proposal to the County department specified by the specified time and date of opening. Any proposal received after the proposal submission deadline will be rejected.

If sending electronically:

- a) Submit **signed, original executed** proposal response with **two (2)** separate PDF attachments labeled “Packet 1” and “Packet 2” as applicable.
- b) Clearly mark the e-mail with the subject line addressed to the e-mail address listed in the table above.
- c) Attachment C – Cost Sheet should be attached in **Excel format** and shall not be password protected.

If sending a physical copy:

- a) Submit **one (1) signed, original executed** proposal response, **three (3)** photocopies, and **one (1)** electronic copy on a flash drive – per packet as described within the RFP.
- b) Clearly mark each package with: (1) Vendor name; (2) the RFP number; and (3) the due date. Address the package(s) for delivery as shown in the table above. Proposals will be subject to rejection unless submitted with the information above included on the outside of the proposal package. Each package should contain two (2) separately sealed and marked packets in compliance with the RFP requirements described within.
- c) The electronic copies of your proposal must be provided on two separate read-only flash drives. The files **shall NOT** be password protected, shall be in .PDF or .XLS format, and shall be capable of being copied to other media including readable in Microsoft Word and/or Microsoft Excel. Each flash drive shall be labeled “Packet 1” or “Packet 2” as applicable. **Please note: Attachment C – “Cost Sheet” must be in Excel format.** Vendors may contact the County at the address listed above to obtain an e-mailed copy of the Cost Sheet in Excel format, if needed.

All proposal addendums and/or corrections will be posted on the Cumberland County Vendor Self Service site <https://ccmunis.co.cumberland.nc.us/vss/Vendors/VBids/Default.aspx> . Vendors who submit a notice of intent to bid to CumberlandPurchasing@cumberlandcountync.gov will receive addendums by email.

2.3 PROPOSAL QUESTIONS

Written questions shall be emailed to CumberlandPurchasing@cumberlandcountync.gov by **12:00 PM EST Friday, May 16, 2025**. Vendors should enter “***RFP #25-37-FIN Professional Auditing Services: Questions***” as the subject for the email. Questions will not be answered by phone. Question submittals should include a reference to the applicable RFP section.

Questions received prior to the submission deadline date, the County’s response, and any additional terms deemed necessary by the County will be posted in the form of an addendum to the Cumberland County Vendor Self Service Site, <https://ccmunis.co.cumberland.nc.us/vss/Vendors/default.aspx> and shall become an Addendum to this RFP. **Vendors who submit an intent to bid will receive addendums by email.** Vendors shall rely *only* on written material contained in an Addendum to this RFP. **Vendors should not contact any other County employees, besides those listed above, during the bid process. Vendors who contact any other County employees may be disqualified.**

Any questions considered minute in nature or that point to an error in the RFP or that the County determines will produce information required in order for all vendors to submit a responsible proposal, may be answered at the County’s discretion after the specified date and time. Such questions that are received after the deadline are not guaranteed to be answered and if the questions qualify as “minute in nature” shall be determined at the sole discretion of the County.

2.4 RFP TERMS & CONDITIONS

It shall be the vendor's responsibility to read the instructions, the County's terms and conditions, all relevant exhibits and attachments, and any other components made a part of this RFP, and comply with all requirements and specifications herein. Vendors also are responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

Questions, issues, or exceptions regarding any term, condition, or other component within this RFP, must be submitted as questions in accordance with the instructions in Section 2.3 PROPOSAL QUESTIONS. Vendor's proposal shall constitute a firm offer.

If a vendor desires modification of the terms and conditions of this solicitation, it is urged and cautioned to inquire during the question period, in accordance with the instructions in this RFP, about whether specific language proposed as a modification is acceptable to or will be considered by the County. It is the County's sole discretion to accept or reject requested modifications and/or exceptions.

The Vendor shall be bound by its proposal through the anticipated contract execution date of July 1, 2025. A firm may withdraw a proposal by written request prior to the date and time of the proposal opening. The signed proposal shall be considered a firm offer on the part of the vendor. The County reserves the right to negotiate price and services.

3.0 NOTICES TO VENDOR

3.1 PROHIBITED COMMUNICATIONS AND CONFIDENTIALITY

PROHIBITED COMMUNICATION: Each vendor submitting a proposal, including its representatives, subcontractors, and suppliers, is prohibited from having any communication with any employees or members of the board of commissioners of the County except those employees of the County's Department as designated in this RFP. A vendor who does not comply with this provision may be disqualified from award of a contract.

!IMPORTANT INFORMATION! **CONFIDENTIAL INFORMATION:** The proposal must not contain any information marked as "confidential" or as a "trade secret" or in any other manner as to indicate that it is information protected by the Trade Secrets Protection Act (the "Act") as set out in Article 24 of Chapter 66 of the North Carolina General Statutes, **unless the vendor has noticed the County Department of its intent to designate any information in the proposal as such and received permission from the County Department to do so in writing.** Vendor's notice to the County Department must be in writing and must describe the information for which confidentiality is requested and explain how the information is a "trade secret" as defined in G.S. § 66-152(3). If the County Department determines the information for which confidentiality is requested is a "trade secret" covered by the Act, it will notify the vendor how to mark the information in the proposal and will identify the measures that County will take to protect the confidentiality of the information. Vendor's submission of a proposal after receipt of this notice from the County Department shall be deemed to be acceptance of the County Department's statement of how it will maintain confidentiality. If the County Department determines the information for which confidentiality is requested is not a "trade secret" covered by the Act, it will notify vendor of that determination. Any proposal marked with any information as "confidential" or as a "trade secret" or in any other manner as to indicate that it is information protected by the Act in violation of this section shall be regarded as not responsive to the request for proposals and shall not be considered.

3.2 PROPOSAL COMPLIANCE

It is in the best interest of vendors to submit proposals that are clear, concise, and easily understood. Proposals should provide information essential for a straightforward and concise description of vendor capabilities to satisfy the requirements of the RFP specifications.

Vendor may include any optional data not provided for elsewhere and considered to be pertinent to this bid as an addendum.

Vendors are urged and cautioned to read the RFP completely through as noncompliance with requirements may result in bid rejection. Section 4.0 requirements and request for information must be in the same order with the same titles as listed in Section 4.0. Vendor proposals should be easy to follow and all sections should be easily identified.

The specifications included in this package describe the services that the County feels are necessary to meet the performance requirements of this RFP, and shall be considered the minimum standards expected of the Proposer. However, the specifications are not intended to exclude potential bidders.

If the vendor is unable to meet any of the specifications as outlined therein, vendors are advised to submit questions and concerns regarding the specifications during the question and answer period described in Section 2.3.

If the vendor does not indicate or submit questions or concerns regarding the specifications, the County shall assume it is able to fully comply with these specifications. The County shall be the sole and final judge of compliance with all specifications.

The County further reserves the right to determine the acceptability or unacceptability of any and all alternatives or deviations.

3.3 PROPOSAL EVALUATION PROCESS

The County shall review all responses to this RFP to confirm that they meet the specifications and requirements of the RFP. The County shall not be required to hold interviews; however, depending on the number of responses and the information contained in the responses, the County may decide to conduct interviews with firms of its choice. The County reserves the right to request clarification of information submitted.

The review team will evaluate the auditor/firm on educational and technical qualifications. The top five firms from the first packet will have their second packet opened and evaluated. The firm best meeting the County's expectation for experience, audit approach, and cost requirements will be selected. Please keep in mind that cost, while an important factor, will not be a sole determining factor. Unusually low proposals/bids that are obviously out of line with other bidders or are significantly lower than our current fees will raise concern. The lowest proposal/bid will not automatically be awarded preferential consideration.

The County requests that no Cumberland County officials or staff be contacted during this process. The County reserves the right to reject any or all proposals, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the County.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the proposal. Firms must be registered with the North Carolina State Board of CPA Examiners.

The vendor best meeting the County's expectations for experience, audit approach, and cost requirements will be selected. Vendors may be required to provide a presentation of services prior to bid award. The County may require interviews with the vendors who submit the top proposals, tentatively scheduled for the last week of May 2025.

The County reserves the right to reject any and all proposals.

3.4 METHOD OF AWARD

RFP will be awarded based on best overall value method of award.

The County reserves the right to make separate awards to different vendors, to not award, or to cancel this RFP in its entirety without awarding a contract, if it is considered to be most advantageous to the County to do so.

4.0 SCOPE OF WORK & VENDOR'S PROPOSAL CONTENT REQUIREMENTS

4.1 SCOPE OF WORK

Cumberland County will enter into two separate contracts with one firm. One contract will be for audit services and one will be for report writing. Responding firms should be structured with two separate, independent arms that can meet all of the requirements specified. Any reference to “auditor” throughout this document could be referring to services provided by either of the two parties that will be issued a contract. The cost sheet allows for separation of the cost associated with each individual contract.

Type of Audit

The audit will encompass a financial and compliance examination of the unit’s Annual Comprehensive Financial Report (ACFR) in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; Government Auditing Standards, July 2018 Revision; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the State Single Audit Implementation Act; and all other applicable laws and regulations.

The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission. This includes, but is not limited to, the Governmental Accounting Standards Board (GASB) statements and Government Auditing Standards. Although some pronouncements will not be in effect until after the first year of the audit, estimates for future years should include pronouncements that will become effective during that contract period. The audit firm will be expected to advise appropriate Cumberland County staff on the applicability of accounting and reporting standards as they become effective.

Period & Payment of Audit Fees

The County intends to continue the relationship with the auditor for no less than three years starting with fiscal year ending June 30, 2025; Continuation after the first-year contract will be based on an annual review of the Auditor, recommendation of the department staff, satisfactory negotiation of terms (including price), and availability of an appropriation. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. After the initial three-year period, an annual extension may be granted by the County based on the above-mentioned criteria and Board of Commissioners (Board) concurrence for up to two additional years or until a determination is made to request new proposals. Thus, prepare proposals for the following years, with year one being the only obligated year:

July 1, 2024 to June 30, 2025

July 1, 2025 to June 30, 2026

July 1, 2026 to June 30, 2027

The required current revision of the form “Contract to Audit Accounts” (form LGC-205) is required to be executed as the contract document; however, the auditor and the County may also execute an engagement letter and/or a County contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the County. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the

total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

The LGC only approves invoices for audit related work. Requests for payment related to any additional agreed upon procedures or AFIR work do not require LGC approval. Final invoices for these services will be paid after the final report results and findings have been reviewed and deemed satisfactory by County staff.

Description of the Governmental Entity and its Accounting System

Entity

Cumberland County is a local government in North Carolina with a population of approximately 340,000.

Based on the criteria set forth in GASB Statement 14, the following organizations will be included in the audit:

- Cumberland County Tourism Development Authority (the “TDA”) (discrete component unit)
- Eastover Sanitary District (discrete component unit)
- Fayetteville Area Convention and Visitors Bureau, Inc. (discrete component unit)
- Cumberland County Board of Alcoholic Beverage Control (discrete component unit). * *The ABC Board issues a separate independent audit.*
- Fayetteville Cumberland County Economic Development Corporation FCEDC) (discrete component unit)
- Cumberland County has a management agreement with Global Spectrum for Crown Operations. The management company issues a separate independent audit that must be blended into the County’s audited Crown Enterprise fund.

The County, in conjunction with the State of North Carolina and the Cumberland County Board of Education, participates in a joint venture to operate the Fayetteville Technical Community College. The County has the basic responsibility for providing funding for the facilities of the community college. The County also provides some financial support for the community college's operations. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements.

Funds

The County currently maintains the following funds:

Governmental Funds

General Fund:

General Operating Fund, County School Fund, and Capital Investment Fund

Special Revenue Funds:

American Rescue Plan Act Fund, Prepared Food and Beverage Fund; Emergency Telephone Fund; Workforce Development Fund; Recreation Fund; Juvenile Crime Prevention Fund; Transportation Fund; Flea Hill Drainage District Fund; Community Development Fund; Fire Protection Fund; Federal Drug Justice Fund; Federal Drug Forfeiture Fund; North Carolina Controlled Substance Fund; Animal Medical Fund; the Inmate Welfare Fund; the CDBG Disaster Recovery Fund; CARES Relief Fund; Fines and Forfeitures Fund; Deeds of Trust Fund; Emergency Rental Assistance Fund; and the DSS Representative Payee Fund.

Capital Project Funds:

Cultural and Recreation Fund, the Governmental Capital Improvement Fund, and the Emergency Operations Center Fund.

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Cemetery Permanent Fund:

Cemetery Perpetual Care Fund

Proprietary Funds

Enterprise Funds:

Cumberland County Solid Waste Fund; Cumberland County Crown Center Fund; Kelly Hills Water and Sewer District Fund; NORCRESS Water and Sewer District Fund; Southpoint Water and Sewer District Fund; Overhills Park Water and Sewer District Fund; Bragg Estates Water and Sewer District Fund.

Internal Service Funds:

Group Insurance Fund; Employee Flexible Benefit Fund; Workers' Compensation Fund; General Litigation Fund; Vehicle Insurance Fund.

Fiduciary Funds

Trust Fund:

Other Post-Employment Benefits (OPEB) Fund

Custodial Funds:

City Tax Fund; Inmate Payee Fund; Stormwater Utility Fund; Vehicle Interest Fund.
Size and Complexity of Unit

Size and Complexity of Unit

Personnel/Payroll

Number of employees (approximate): 2,027

Frequency of payroll: Bi-weekly

Number of annual payroll direct deposit advises: 52,702

Property Tax (disclose if collected by another agency)

Number of tax bills issued (without motor vehicles): 97,893

Number of motor vehicle tax bills issued (collected by State): 246,022

Total dollar amount of most recent year's collections: \$203,606,490

Total dollar amount of levy: \$204,663,033

Accounts Payable

Number of checks issued: 18,570

Number of payment advises issued: 8,200

Purchasing

Number of purchase orders issued: 1,255

General Fund budgeted revenues, excluding project amounts, are estimated at \$423,369,892 in FY2024. In addition, outstanding debt totaled \$50,624,138 as of June 30, 2024. The County continues to maintain an AA+ bond rating from Standard & Poor's Corporation and Aa1 from Moody's Investors Service. The County issued LOBS in FY2021 in the amount of \$21,095,000 to fund the new Emergency Operations Center and to provide a contribution of \$10 million for construction of a Fire Training Center at Fayetteville Technical Community College.

Grants, Entitlements, and Shared Revenues

Please refer to the County's website for a copy of the audited financial statements for the year ending June 30, 2024, including the Schedule of Expenditures of Federal and State Awards.

FY 2024 ACFR Cumberland County

Budgets

The unit budgets all funds on the modified accrual basis of accounting as required by North Carolina law. Appropriations are made at the fund level. The unit also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide easy comparison with actual expenditures.

Accounting Records

The County maintains accounting records at the finance office located at 117 Dick Street, Room 451, Fayetteville, NC 28301. The County uses Tyler MUNIS software ERP for its financial accounting and reporting functions.

Assistance Available to Auditor

A planning meeting will be held during interim fieldwork each year to determine any schedules or information the County will be responsible for preparing. County personnel will make every effort to perform the necessary accounting procedures and complete agreed upon documents no later than dates set each year during the initial planning meeting. Adequate notification will be given prior to any changes in estimated times. The County is aware of and understands the need to provide assistance to the auditor and will make every attempt to meet agreed upon deadlines.

The County will make available to the auditor sufficient help to pull and re-file records and prepare and mail all necessary confirmations. A trial balance with budgeted amounts will be made available via Excel, by mid-September. The following accounting procedures will be completed, and documents prepared by the unit's staff no later than mid-September. The County is aware of and understands the need to provide this assistance to the auditor and will make every attempt to meet these deadlines. All items were to be provided electronically, whenever possible.

The books of account will be fully balanced.

All subsidiary ledgers will be reconciled to control accounts.

All bank account reconciliations for each month will be completed.

The unit's personnel will prepare the following items OR this information will be available electronically within the Munis financial software (auditor will be assigned password-protected, view only access):

- 1) Trial Balance provided for all funds at the line level of detail
 - a) Preliminary (no balances) to be provided the first week of July – for grouping lines into ACFR
 - b) Final to be provided by mid-September
- 2) Schedule of interfund transfers for each fund (reconciled)
- 3) General Ledger transaction detail report for each account
- 4) Original budget, all amendments, and the final budget for the audit period
- 5) Project ordinances and all amendments for active projects during the audit period
- 6) Active leases during the audit period
- 7) Board policies, including financial, travel, and investment policies

- 8) Correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), (COLL91), unit letters, and compliance reports for the previous year
- 9) Management's Discussion and Analysis
- 10) Actuarial information of various plans
- 11) Bank reconciliations by month
- 12) List of outstanding checks, showing check number, date, and amount
- 13) Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end
- 14) Listing of unpaid tax bills in detail, totaled by current fiscal year and all prior years
- 15) Outstanding receivables by account as of the fiscal year end
- 16) Schedule of insurance coverage
- 17) Capital asset acquisitions made during the audit year
- 18) Capital asset dispositions made during the audit year
- 19) Access to calculations used in balancing the Capital Assets subsystem to the government-wide statements
- 20) Depreciation expense posted for the audit year
- 21) Schedule of accounts payable
- 22) Computation of vested vacation payable as of the audit date
- 23) Debt Schedule for each debt issue and related payments

4.2 VENDOR'S PROPOSAL REQUIREMENTS

Audit Requirements

The audit must be conducted in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards, 2018 Revisions, issued by the Comptroller General of the United States; and if applicable, the U. S. Office of Management and Budget's (OMB) Uniform Guidance and, if applicable, the State Single Audit Implementation Act, and any other applicable procedures for the audit of a local government's financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP). By accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. **The Auditor must provide a copy of their most recent peer review report with their proposal.**

The Auditor will prepare most year-end adjusting journal entries and all conversion entries. The auditor will be responsible for the preparation, proofing, printing, and copying of the Basic Financial Statements, notes, supplementary information and compliance reports. County Finance staff will be actively involved in the MD&A, and other schedule preparation. The auditor will submit a draft of the Financial Statement to be reviewed in detail by County Finance. This draft should be submitted to the County Finance staff in time to allow ample review and corrections. **The timing of this should ensure final completion of the Financial Statements no later than the November 10th deadline.**

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County Finance will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork. Cumberland County prefers interim fieldwork be completed in late April or early May. Year-end fieldwork must be completed by mid-October. A preliminary draft of the audit and required conversion entries must be submitted to County Finance within one week of receiving Trial Balance. An agreed upon final post-closing trial balance must exist before mid-October.

The audit must be completed, and reports rendered four months following the fiscal year end, by November 10th. Management letter, and other applicable reports must be supplied to County Finance within the time frame cited above. In addition, the auditor is responsible for submitting all required documentation to the staff of the Local Government Commission (LGC).

The auditors shall be available to present the Financial Statements to the Board of Commissioners at a committee meeting and a regular meeting following the completion of the audit. The auditors shall be available to meet with County Management, upon request.

The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, the financial statements of the aggregate discretely presented component units, each major fund, and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subject to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall also express an opinion on the budgetary comparison information for the general fund, the major funds, and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the audit report.

If the auditor is not a locally owned minority auditing firm located within Cumberland County, the auditor is requested to subcontract a portion of the annual audit work to such a firm. Please include a description of the types of work that may be subcontracted within the proposal. Costs of subcontracting should be included within the cost sheet of the proposal.

In the event that circumstances arise during the audit that require work to be performed in excess of the original amount, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Proposals shall be submitted in two separately sealed packets.

Proposals must be submitted in two packets and must be physically signed by an authorized representative of the Audit firm.

The first packet will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits. The second packet will be comprised of the firm's audit approach and costs.

First Packet

The first packet should address the requested information below, organized in this order. The corresponding responses should begin with the number below for the requested information.

- 1) Indicate the Audit firm's North Carolina office location(s) that will handle the audit.
- 2) Indicate the number of people (by level) located within the Audit firm local office that will handle the audit.
- 3) Provide a list of the local office's current and prior government audit clients, indicating the type(s) of service performed and the number of years served for each. Please provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contacted for a reference. Responsive firms should include any relevant information regarding audits performed on financial statements prepared under the current reporting model.
- 4) Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
- 5) Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
- 6) Describe the professional experience in governmental audits of each senior and higher-level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Again, relevant experience with the current reporting model should be clearly communicated.
- 7) Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
- 8) Describe the relevant experience and education with the new GASBS reporting requirements, seminars and courses attended within the past three years.
- 9) Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., utilities, solid waste, transit, airports, or health authorities and school systems).
- 10) Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
- 11) Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
- 12) Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2024 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
- 13) Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
- 14) Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
- 15) Describe the firm's reporting software and capabilities to produce the reports and schedules of the ACFR. Include a description of the process, timeline, types of information and required assistance of County finance staff by year. Include copies to show examples.

Second Packet

Proposals should include the completed cost sheet and any other necessary cost information in a separate, sealed envelope marked – “Cost Sheet.” The County plans to evaluate the qualifications of all firms submitting proposals before considering the Cost Sheet.

This second packet should consist of completed cost sheets, which will include the following information:

- 1) Provide information for the firm’s primary contact with the County.
- 2) Type of audit program used (tailor-made, standard government, or standard commercial).
- 3) Use of statistical sampling.
- 4) Use of automated processes and internal control testing methods.
- 5) Use of computer audit specialists.
- 6) Organization of the audit team and the approximate percentage of time spent on the audit by each member.
- 7) Information that will be contained in the management letter.
- 8) Assistance expected from the government’s staff, if other than outlined in the RFP.
- 9) Tentative schedule for completing the audit within the specified deadlines of the RFP.
- 10) Use of internal audit staff (if applicable).
- 11) Specify costs by line item shown using the format within Attachment C – Cost Sheet for the audit year July 1, 2024 to June 30, 2025. For the two audit years which follow, list the estimated costs. The cost for the audit year ending June 30, 2025 is binding, while the second and third years are estimated costs. Second and third-year costs must indicate the basis for the charges and whether the amount is a “not-to-exceed” amount.
- 12) In a separate schedule (must be submitted in an excel format) shown for each of the County’s audited units, itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour as well as the other costs shown below:
 - a) Personnel
 - 1) Estimated hours – categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor’s office.
 - 2) Rate per hour.
 - 3) Total cost for each category of personnel and for all personnel costs in total.
 - b) Travel – itemize transportation and other travel costs separately.
 - c) Cost of supplies and materials – itemize.
 - d) Other costs – completely identify and itemize.
 - e) If applicable, note your method of determining increases in audit costs on a year-to-year basis
- 13) Please list any other information the firm may wish to provide.

Other Required Services

The auditor will be responsible for preparation of the Cumberland County Tourism Development Authority’s (discrete component unit) annual audit, which also requires electronic submission to the Local Government Commission. (please submit a separate cost estimate for this audit).

Proposal Number: RFP #25-37-FIN Professional Auditing Services

The auditor will be responsible for conducting the annual audit for the Fayetteville Cumberland County Economic Development Corporation (FCEDC) (discrete component unit). The auditor will also prepare, type, and print a separately issued financial statement for FCEDC and file the IRS Form 990. (please submit a separate cost estimate for this audit). 15 copies will be required for this audit report.

The auditor will prepare schedules in the format established by the County. County Finance will return the draft with proposed revisions within 5 working days. The timing of this should ensure completion of the report no later than the November 10th deadline. The purpose of this is to ensure consistent formatting throughout the ACFR to include font type and size, page numbering and style consistency.

The auditor will prepare the Federal Data Collection Form for the Primary Government and submit to appropriate agencies as required. The auditor will prepare the NC State Treasurer's Data Input Workbook. These services will be included in the base price of the audit.

Assistance to ensure management's efforts to continually obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. These services will be included in the base price of the engagement.

Guidance will be required for new note disclosures, as well as GASB implementations, and other reporting requirements. These services will be included in the base price.

Calculation of the Debt Service Coverage Ratio as required by certain revenue bond covenants will be required. The bond covenants may also require the auditor to express an opinion on the unit's compliance with the debt service coverage ratio and other debt covenants. These services will be included in the base price.

Audit Contract & Payment of Audit Fees

The audit contract must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC staff and the appropriate Grantor Agency, if applicable, prior to processing by the County. If grant funds will be used to pay for the audit, the grant agreement may require the Grantor Agency's approval before the invoice may be paid. Interim or progress billings will be accepted up to 75% of the total fee prior to submission of the audited financial statements to the staff of the Local Government Commission and their approval of the audited financial statements.

ATTACHMENT A: INSTRUCTIONS TO VENDORS

1. **READ, REVIEW AND COMPLY:** It shall be the vendor's responsibility to read this entire document, review all enclosures and attachments, and any addenda thereto, and comply with all requirements specified herein, regardless of whether appearing in these Instructions to vendors or elsewhere in this RFP document.
2. **LATE PROPOSALS:** Late proposals, regardless of cause, will not be opened or considered, and will automatically be disqualified from further consideration. It shall be the vendor's sole responsibility to ensure delivery at the designated office by the designated time.
3. **ACCEPTANCE AND REJECTION:** The County reserves the right to reject any and all proposals, to waive minor informality in proposals and to reject proposal with non-minor informalities, based on the sole discretion of the County.
4. **EXECUTION:** Failure to sign EXECUTION PAGE in the indicated space will render proposal non-responsive, and it shall be rejected.
5. **GIFTS:** Gifts and favors to the County of any kind in any amount are prohibited.
6. **SUSTAINABILITY:** To support the sustainability efforts of the County of Cumberland we solicit your cooperation in this effort. All copies of the proposal are printed double-sided.
7. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150 (1999), the County invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
8. **INFORMAL COMMENTS:** The County shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the County during the competitive process or after award. The County is bound only by information provided in this RFP and in formal Addenda issued through the State's IPS and the County's Vendor Self Service website.
9. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by vendor in preparing or submitting offers are the Vendor's sole responsibility; the County of Cumberland will not reimburse any vendor for any costs incurred.
10. **VENDOR'S REPRESENTATIVE:** Each vendor shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the firm's proposal.
11. **SUBCONTRACTING:** The Contractor shall not assign or subcontract the work, or any part thereof, without the previous consent of Cumberland County, nor shall it assign, by power of attorney, operation of law, or otherwise, any moneys payable under the Contract without prior written consent of the County.

If the vendor proposes to subcontract work in this project, the subcontractor and the activity in this project are to be identified in the proposal.

All subcontractors must be approved by the County and must conform to and comply with the same terms, standards and specifications applicable to the contracting firm.

The vendor shall be fully responsible and accountable to the County for the acts and omissions of its subcontractors, and of persons directly or indirectly employed by him.
12. **INSPECTION AT VENDOR'S SITE:** The County reserves the right to inspect, at a reasonable time, the

equipment/item, plant or other facilities of a prospective vendor prior to Contract award, and during the Contract term as necessary for the County determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the Contract.

13. **AFFIRMATIVE ACTION**: The vendor will take affirmative action in complying with all Federal and County requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability.
14. **VENDOR REGISTRATION**: Vendors are not required to register as a vendor in our system in order to submit a bid; however, registration is recommended so that vendor information is available for future opportunities. New vendors can register by visiting the following URL: <https://ccmunis.co.cumberland.nc.us/vss/Vendors/default.aspx>.

This Space is Intentionally Left Blank

ATTACHMENT B: EXECUTION OF PROPOSAL

EXECUTION

In compliance with this Request for Proposal (RFP), and subject to all the conditions herein, the undersigned vendor offers and agrees to furnish and deliver any or all items/services upon which prices are proposed. By executing this proposal, the undersigned vendor certifies that this proposal is submitted competitively and without collusion, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible from covered transactions by any Federal or State department or agency. Furthermore, the undersigned vendor certifies that it and its principals are not presently listed on the Department of State Treasurer's Final Divestment List as per N.C.G.S 147-86.55-69.

The potential Contractor certifies and/or understands the following by placing an "X" in all blank spaces:

_____ The County has the right to reject any and all proposals or reject specific proposals with deviated/omitted information, based on the County's discretion if the omitted information is considered a minor deviation or omission. The County will not contact vendors to request required information/documentation that is missing from a proposal packet. Additionally, if the County determines it is in its best interest to do so, the County reserves the right to award to one or more vendors and/or to award only a part of the services specified in the RFP.

_____ This proposal was signed by an authorized representative of the Contractor.

_____ The potential Contractor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.

_____ All labor costs associated with this project have been determined, including all direct and indirect costs.

_____ The potential Contractor agrees to the conditions as set forth in this RFP with no exceptions.

_____ Selection of a contract represents a preliminary determination as to the qualifications of the vendor. Vendor understands and agrees that no legally binding acceptance offer occurs until the Cumberland County Board of Commissioners, or its designee, executes a formal contract and/or purchase order.

Therefore, in compliance with the foregoing RFP, and subject to all terms and conditions thereof, the undersigned offers and agrees to furnish the services for the prices quoted within the timeframe required. Vendor agrees to hold firm offer through contract execution.

Failure to complete, execute/sign (E-signature or handwritten) proposal prior to submittal shall render the proposal invalid and it WILL BE REJECTED.

VENDOR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & COUNTY & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #10):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:
VENDOR'S AUTHORIZED SIGNATURE:	DATE:	EMAIL:

ATTACHMENT C: COST SHEET

Please see Excel document labeled Attachment C: Cost Sheet. This must be provided in Excel format on the flash drive.

ATTACHMENT D: CERTIFICATION OF FINANCIAL CONDITION

Name of Vendor: _____

The undersigned hereby certifies that: [check all applicable boxes]

- ☐ The vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.

Date of latest audit: _____

- ☐ The vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.
- ☐ The vendor is current in all amounts due for payments of federal and County taxes and required employment-related contributions and withholdings.
- ☐ The vendor is not the subject of any current litigation or findings of noncompliance under federal or County law.
- ☐ The vendor has no findings in any past litigation, or findings of noncompliance under federal or County law that may impact in any way its ability to fulfill the requirements of this Contract.
- ☐ He or she is authorized to make the foregoing statements on behalf of the vendor.

Note: This is a continuing certification and vendor shall notify the Contract Lead within 15 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, vendor shall explain the reason in the space below:

Signature

Date

Printed Name

Title

[This Certification must be signed by an individual authorized to speak for the vendor]