

 THE CITADEL THE MILITARY COLLEGE OF SOUTH CAROLINA	Solicitation Type Solicitation Number Date Issued Procurement Officer Phone E-Mail Address	Request for Proposal R2031-JD-1/30/2012 December 1, 2011 James de Luca 843-953-5109 jdeluca@citadel.edu
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DESCRIPTION: Provide The Citadel Financial and Compliance Audits for a period of five (5) years, starting with the fiscal year ending June 30, 2012.

USING GOVERNMENTAL UNIT: The Citadel, The Military College of South Carolina

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

SUBMIT OFFER BY (Opening Date/Time): **1/30/12 @3:00 PM**

NUMBER OF COPIES TO BE SUBMITTED: **One (1) original and five (5) copies of RFP response. Six (6) copies of latest external quality review report.**

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

SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS:

The Citadel
 Procurement Services
 171 Moultrie St.
 Charleston, SC 29409

PHYSICAL ADDRESS:

The Citadel, Procurement Services
 Central Supply Warehouse
 171 Moultrie St.
 Charleston, SC 29409

CONFERENCE TYPE: **Pre-Proposal Vendor Conference**
 DATE & TIME: **January 10, 2012 10 AM**
Recommended
Deadline for questions:
Close of Business January 11, 2012

LOCATION: **The Citadel**
Financial Serv. Conference Room
Room 217 Bond Hall
171 Moultrie St
Charleston, SC 29409

AWARD & AMENDMENTS

Award will be posted at the Physical Address stated above on **February 20, 2012**. The award, this solicitation, and any amendments will be posted at the following web address:
<http://www.citadel.edu/procurement/vendors>

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) ☐ Sole Proprietorship ☐ Partnership ☐ Corporation (tax-exempt) ☐ Corporate entity (not tax-exempt) ☐ Government entity (federal, state, or local) ☐ Other _____
AUTHORIZED SIGNATURE (Person signing must be authorized to submit binding offer to enter contract on behalf of Offeror named above.)	
TITLE (Business title of person signing above)	
PRINTED NAME (Printed name of person signing above)	
DATE SIGNED	

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.

(Return This Page 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.)							
	Area Code		Number		Extension		Facsimile	
	E-mail Address							
PAYMENT ADDRESS (Address to which payments will be sent.)				ORDER ADDRESS (Address to which purchase orders will be sent)				
☐ 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)				
ACKNOWLEDGMENT OF AMENDMENTS Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue.	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date
DISCOUNT FOR PROMPT PAYMENT	10 Calendar Days (%)		20 Calendar Days (%)		30 Calendar Days (%)		_____ Calendar Days (%)	

Solicitation Outline

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- II. **Instruction to Offerors**
 - A. **General Instructions**
 - B. **Special Instructions**
- III. **Scope of Work / Specifications**
- IV. **Information for Offerors to Submit**
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 - A. **Non-Residents Taxpayer**
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KEY EVENT DATES RECAP

Date Issued: **December 1, 2011**

Pre-Proposal Conference: **January 10, 2012**

Time: **10:00 AM**
Location: **Room 217 Bond Hall**

Proposal Due Date: **January 30, 2012**

Time: **3:00 PM**
Location **Procurement Services Office**
Central Supply Warehouse
The Citadel
171 Moultrie ST.
Charleston, SC 29409

Award Date: **February 20, 2012**

Solicitation and Amendments will be posted on the following web site:
<http://www.citadel.edu/procurement/vendors/current-solicitations.html>

Award will be posted on the following web site
<http://www.citadel.edu/procurement/vendors/awards.html>

I. Scope of Solicitation

It is the intent of the State of South Carolina and The Citadel's Procurement Office to solicit proposals for financial and compliance audits for The Citadel in accordance with all requirements stated herein.

II. Instructions to Offerors

A. General Instructions

AMENDMENTS TO SOLICITATION (JAN 2004) (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: <http://www.citadel.edu/procurement/vendors> (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.

BID / PROPOSAL AS OFFER TO CONTRACT (JAN 2004) 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 (JAN 2004) In order to withdraw Your Offer after the minimum period specified on the Cover Page, You must notify the Procurement Officer in writing.

CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004)

(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.

COMPLETION OF FORMS / CORRECTION OF ERRORS (JAN 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 (JAN 2004) 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)]

DEFINITIONS (JAN 2004) 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.

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.

DRUG FREE WORK PLACE CERTIFICATION (JAN 2004): 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 (JAN 2004) 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 (JAN 2004) 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.

PUBLIC OPENING (JAN 2004) 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 (JAN 2004): (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, which unnecessarily or inappropriately limits full and open competition.

REJECTION/CANCELLATION (JAN 2004) 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 (JAN 2004)

(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 sub-line 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 (JAN 2004) 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 or its employees, agents or officials prior to award.

SIGNING YOUR OFFER (JAN 2004) 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 (JAN 2004) 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.scmd.org/myscgovweb/weather.html>

SUBMITTING CONFIDENTIAL INFORMATION (AUG 2002): (An overview is available at: 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 (JAN 2004) (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.

TAXPAYER IDENTIFICATION NUMBER (JAN 2004): (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.

WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004) 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)] In the event a mandatory pre-proposal is requested, failure to attend will exclude your company from submitting an offer.

State. The State assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available at the conference. Nor does the State 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.

DISCUSSION WITH OFFERORS (JAN 2006): After opening, the Procurement Officer may, in his sole discretion, initiate discussions with you to discuss your offer. [Section 11-35-1530(6)]

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)]

III. Scope of Work, Specifications, Proposal Requirements

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I. INFORMATION FURNISHED BY THE REQUESTOR

Requestor's Address and Recipient of Proposals

The Requestor is:

The Board of Visitors
The Citadel
171 Moultrie St.
Charleston, SC 29409

Questions concerning the proposal should be directed to:

Karen Pressley
Interim Director, Procurement Services
The Citadel
171 Moultrie St.
Charleston, SC 29409
(843) 953-6873
Karen.pressley@citadel.edu

To qualify for consideration, one original and five (5) copies of your proposal and six copies of your latest external quality review report along with any written comments must be received at The Citadel Procurement Office by January 30, 2012 at 3 PM. The proposal should be addressed to Karen Pressley, Interim 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 – The Citadel (College)**

Each proposal must address itself to the conduct of an audit and expression of an opinion upon The Citadel financial statements for the years ended June 30, 2012, 2013, 2014, 2015, and 2016. 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 Office of the 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 College for the years ending June 30, 2012, 2013, 2014, 2015, and 2016. 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://www.ncaa.org/wps/wcm/connect/3e11ed004e0d6250bd0afd1ad6fc8b25/procedures_8_27_10.pdf?MOD=AJPERES&CACHEID=3e11ed004e0d6250bd0afd1ad6fc8b25

- The College may require assistance from the successful Offeror to assist with technical issues. For example, The College 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.
- Assistance in reviewing policy and presentation issues related to GASB pronouncements.
- 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 College. Optional professional services must be specified on an hourly rate by staffing and skill level.

- **The Citadel 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 Director of Financial Services, 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. The Office of the Director of Financial Services is located in Bond Hall, room 219. A formal exit conference will be held with the Audit Committee or its representative, the Executive Vice President for Finance, Administration and Operations. The College is to be given an opportunity to provide a written response to any internal control comments and to any findings of noncompliance. Responses will be included in the bound audit report (behind the reports on internal control) when it is issued.
- The College may include the audited financial statements in documents issued in connection with the issuance of bonds and in the College's annual Fiscal Status Report.

Description of Entity and Records

The Citadel is physically located in Charleston, South Carolina and financial records are maintained primarily in the accounting office in Bond Hall.

The financial statements represent all activities of the College and its component units. Although The Citadel Trust is a legally separate entity, the Trust's financial statements are blended into The Citadel's financial statements. In addition, the separate legal entities of The Citadel Foundation and The Brigadier Foundation are discretely presented component units in the College financial statements.

The financial statements of all three 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 Offerors' conference. The June 30, 2011 audit report issued by Elliott Davis LLC was unqualified. No internal

control comments were made. The June 30, 2011 NCAA Division I required audit report issued by Elliott Davis LLC is currently in progress. The June 30, 2010 AUP report did not include any auditor's comments.

A copy of the 2011 financial audit report and the 2010 NCAA AUP report may be obtained from the State Auditor's web page: <http://osa.sc.gov/stateengagements/citadel/Pages/default.aspx>.

Assistance Available to Offeror

Previous auditor work papers will be made available on site to the successful Offeror. Arrangements to obtain the previous auditor work papers must be made in advance with the Internal Audit office at telephone number (843) 953-5118.

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

A mandatory pre-proposal conference will be held on the campus of The Citadel at 10 AM on Tuesday, January 10, 2012. Representatives of the College 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 prior audit report and RFP as no additional copies will be available at the Offeror's conference.

Report Requirements

Financial and Compliance Audit

The College 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 the Board of Visitors of The Citadel. 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 the Audit Committee 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), each grant or other form of financial assistance and its beginning balance, revenues, expenditures, other additions, other deductions, and ending balance.

A report on internal control in accordance with Governmental Auditing Standards and a report on internal control over compliance with OMB Circular A-133 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 the Board of Visitors of The Citadel.

NCAA AUP

The independent auditors' report on the Intercollegiate Athletics Program Statement of Revenues, Expenditures and Transfers is to be addressed to the Board of Visitors of The Citadel. 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://www.ncaa.org/wps/wcm/connect/3e11ed004e0d6250bd0afd1ad6fc8b25/procedures_8_27_10.pdf?MOD=AJPERES&CACHEID=3e11ed004e0d6250bd0afd1ad6fc8b25

Any deficiencies in internal control should include a statement of findings and recommendations related to 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 10, 2012.

Proposals must be submitted no later than 3:00 p.m., January 30, 2012. All Offerors will be notified of the selection decision by February 20, 2012.

Audit work may begin at a time mutually agreed upon by the successful Offeror and the Director of Financial Services.

Preliminary reports including auditor's opinion letter and required communication to the Board must be submitted to the Director of Financial Services and final reports are to be delivered no later than 4:30 p.m. on the following dates of each respective year:

	<u>Preliminary Drafts</u>	<u>Final Reports</u>
Financial Statement Audit	September 30	October 15
OMB A-133 Reports		October 15
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 and prior to the start of an audit, the College will update the auditor on any required changes in report deadlines.

Contractual Arrangements

An award letter will be issued by the College 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 ended June 30, 2012, 2013, 2014, 2015, and 2016.

The Executive Vice President for Finance, Administration and Operations must approve any expansion of services resulting in an increase in the maximum fee

The proposal must include a statement that either the College 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 Director of Financial Services, The Citadel, Charleston, SC 29409. Billing for the final 50% of the fee will be accepted upon delivery of the bound reports. The College 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 Director of Financial Services no later than 4:30 p.m. on the dates specified in the Time Considerations and Requirements section of this RFP, to the address noted above, the final audit report.

Working Papers

Working papers will be retained by the successful Offeror for three years or until advised otherwise in writing by the College. The working papers must be made available on site without charge for examination by representatives of the College 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 College 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 College, 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 The Citadel, The Military College of South Carolina.

- b) The Board of Visitors of The Citadel is your client.
 - c) The College will be responsible for payment of the audit fees.
 - d) The College 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 scope of 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 College.
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 Firm's policy regarding client notification of Firm changes in key personnel on an engagement. State 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 College Purchasing office a Certificate of Insurance for the protection of The Citadel. 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. Wherever 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, 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 Office of the 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 Audit Committee and the Internal Audit office. And finally, state that no extended services will be performed unless they are authorized in writing by the Executive Vice President for Finance, Administration and Operations.

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://www.ncaa.org/wps/wcm/connect/3e11ed004e0d6250bd0afd1ad6fc8b25/procedures_8_27_10.pdf?MOD=AJPERES&CACHEID=3e11ed004e0d6250bd0afd1ad6fc8b25

- (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 Audit Committee and the Internal Audit office. Finally, state that no extended services will be performed unless they are authorized in writing by The Executive Vice President for Finance, Administration and Operations.

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.

Completeness 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.
- Appropriateness of assigned staff levels.
- Commitment to meet the deadlines stated herein.
- Attendance at Offerors' conference.

Experience and Qualifications Factor

- Technical experience of firm in higher education institutions.
- Qualifications of proposed audit team's experience and professional education, including recent pertinent continuing education.
- Size and structure of firm.
- Our prior experience with the firm with emphasis on report and work quality and track record of meeting agreed upon delivery dates.
- Financial services offered.

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 will automatically be rejected as not being responsive.

IV. Information for Offerors to Submit

All Offerors are required to provide all items identified in section II "Information Requested from the Offeror" on pages 18-23. All items defined in this section are required and must be included in each offer. The failure of an Offeror to provide all of the information requested may require that offer to be considered

non-responsive and not evaluated. The determination of an offer being considered non-responsive is in the sole discretion of the Procurement Officer.

V. Qualifications

All Offerors are directed to page 19 section identified as "Summary of the Offeror's Qualifications.

QUALIFICATION OF OFFEROR (JAN 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.

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 The Citadel.

EVALUATION FACTORS – PROPOSALS (JAN 2006): Offers will be evaluated using only the factors stated on page 22 under section III Evaluation of Proposals. 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.

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.

VII. Terms and Conditions

A. General

AFFIRMATIVE ACTION: The Contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees, without regard or discrimination by reason of race, color, religion, sex, national origin or physical handicap. The following are incorporated herein by reference: 41 C.F.R. 60-1.4, 60-250.4 and 60-741-4.

ASSIGNMENT: No contract or its provisions may be assigned, sublet, or transferred without the written consent of The Citadel.

CONTRACT AMENDMENTS: Amendments to any contract between The Citadel and the Contractor must be reviewed and approved by Procurement Office.

COMPLIANCE WITH FEDERAL REQUIREMENTS: State or Federal requirements that are more restrictive shall be followed.

FORCE MAJEURE: The Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Governments in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them, the contractor shall not be liable for any excess costs for failure to perform, unless the supplies or

services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required delivery schedule.

INDEMNIFICATION: The state of South Carolina, its officers, agents, and employees, shall be held harmless from liability from any claims, damages and actions of any nature arising from a resultant contract, provided that such liability is not attributable to negligence on the part of the using agency or failure of the using agency to comply with the offer as outlined in the Offeror's proposal.

PRIME CONTRACTOR RESPONSIBILITIES: The contractor will be required to assume sole responsibility for the complete effort as required by this RFP. The State will consider the contractor to be the sole point of contact with regard to contractual matters.

SOUTH CAROLINA GOVERNING LAW CLAUSE: The Agreement and any dispute, claim, or controversy relating to the Agreement shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina. 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 State's Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement.

SUBCONTRACTING: If any part of the work covered by this RFP is to be subcontracted, the Offeror shall identify the subcontracting organization and the contractual arrangements made therewith. All subcontractors must be approved by The Citadel. The Offeror will also furnish the corporate or company name and the names of the officers of any subcontractors engaged by the Offeror.

TERMINATION: Subject to the Provisions below, any contract resulting from this proposal may be terminated by the Procurement Office provided a one hundred twenty (120) days advance notice in writing is given to the contractor.

Non-Appropriations: Funds for this contract are payable from State and/or Federal appropriations. In the event sufficient appropriations are not made to pay the charges under the contract it shall terminate without any obligation to the State of South Carolina.

Convenience: In the event that this contract is terminated or canceled upon request and for the convenience of the State without the required one hundred twenty (120) days advance written notice, then the State shall negotiate reasonable termination costs, if applicable.

Cause: Termination by the State for cause, default or negligence on the part of the contractor shall be excluded from the foregoing provisions; termination costs, if any shall not apply. The one hundred twenty (120) days advance notice requirement is waived and the default provision listed herein shall apply.

Default: In case of default on contractor, the State reserves the right to purchase any or all items/services in default in open market, charging contractor with any excessive costs. SHOULD SUCH CHARGE BE ASSESSED, NO SUBSEQUENT PROPOSALS OF THE DEFAULTING CONTRACTOR WILL BE CONSIDERED UNTIL THE ASSESSED CHARGE HAS BEEN SATISFIED.

OFFEROR RESPONSIBILITY: Each Offeror shall fully acquaint himself with conditions relating to the scope and restrictions attending the execution of the work under the conditions of this proposal. It is expected that this will sometimes require on-site observation. The failure or omission of an Offeror to acquaint himself with existing conditions shall in no way relieve him of any obligation with respect to this proposal or to the contract.

OWNERSHIP OF MATERIAL: Ownership of all data, material and documentation originated and prepared for the State pursuant to this contract shall belong exclusively to the State.

B. Special

INITIAL CONTRACT PERIOD: DATE OF AWARD AND CONTINUING THROUGH ONE (1) FULL YEAR.

A resulting contract will automatically extend on each anniversary date unless either party elects not to extend the contract. Extensions may be less than, but will not exceed 4 additional one (1) year periods. If the contractor elects not to extend on the anniversary date, the contractor must notify the Procurement Office of its intention in writing ninety (90) days prior to the anniversary date.

PRICE ADJUSTMENT BASED ON CONTRACTOR'S COSTS:

Any request for price increase must be submitted to the Materials Management Office at least ninety (90) days prior to the automatic renewals date. (Price increases will only become effective if approved in writing by the Materials Management Office). The maximum increase will not exceed the unadjusted percent change from the previous year shown in the Consumer Price Index (CPI), All Urban Consumers (CPI-U), "Other Goods and Services" or the current market conditions as determined by the Contract Administrator.

VIII. Bidding Schedule / Cost Proposal

Offerors Desired 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.

IX. Attachments to Solicitations.

A. Non-Residents Taxpayer

Important Tax Notice – Nonresidents only

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws require persons hiring or contracting with a non-resident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the non-resident. 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.

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
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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):

☐ The South Carolina Secretary of State or	_____
☐ 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.

(Seal)	
Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant)	Date
If Corporate Officer, state title: _____	

(Name - Please Print)

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

BIDDER'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