AMENDMENT NO. 5 TO SOLICITATION

TO: ALL VENDORS

FROM: Anglenita DeVeaux, Procurement Specialist II

SUBJECT: SOLICITATION NUMBER: P171051ADD
Financial and Compliance Audits

DATE: March 21, 2017

This Amendment No. 5 modifies the Request for Proposal only in the manner and to the extent as stated herein.

Reopen Solicitation Number P171051ADD and Reissue in its entirety.

Auditor services being solicited in this RFP are exempt under Section 1982.07.13 of the South Carolina Consolidated Procurement Code. The original RFP issued contained restrictive clauses, which may have impacted the decision to submit proposals by otherwise competitive offerors. Accordingly, to allow for greater competition the RFP document is being replaced in its entirety and reopened to provide an opportunity to offerors potentially impacted.

Firms who have submitted proposals and wish for those to stand need only to sign and return this amendment document by 3:00 p.m. on March 29, 2017. Firms who are submitting an initial proposal or those that wish to resubmit a new proposal reflective of this change should submit to the address stated in the solicitation document no later than 3:00 p.m. on March 29, 2017.

BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT NO. 5 IN THE SPACE PROVIDED BELOW AND RETURN IT TO THE PROCUREMENT OFFICER. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.

______________________________  ________________________________
Authorized Signature               Name of Offeror

______________________________
Date

OFFICE OF THE
GENERAL COUNSEL
MUSC/MUHA
-APPROVED AS TO FORM-

BY:  ____________________________

DATE: 3-22-17
Request for Proposal Auditing Services

I. Introduction

The Medical University of South Carolina (MUSC) is requesting proposals from CPA firms for Financial and Compliance auditing services for the years ending June 30, 2017, 2018, 2019, 2020 and 2021.

Questions concerning this request for proposal should be directed to:

Argenita DeVaeux
University Purchasing
Medical University of South Carolina
19 Hagood Ave, Suite 408, MSC 824
Charleston, SC 29425
(843) 792-2389
deveauan@musc.edu

II. Nature of Services Required

INFORMATION FURNISHED BY THE REQUESTOR
a. Requestor’s Address and Recipient of Proposal
b. Overview of Reporting Entity
c. Nature of Service Required
d. Description of Entity and Records
e. Assistance Available to Proposer
f. Report Requirements
g. Time Considerations and Requirements
h. Contractual Arrangements
i. Working Papers

a. Requestor’s Address and Recipient of Proposals

The Requestor is:
Audit Committee of the Board of Trustees  
Medical University of South Carolina  
179 Ashley Avenue, Suite 103, Colcock Hall  
MSC 001  
Charleston, South Carolina 29425-0010

The Recipient of Proposals is:  
Angienita DeVeaux, University Purchasing  
Medical University of South Carolina  
19 Hagood Avenue, Suite 408  
MSC 824  
Charleston, South Carolina 29425-8240  
(843) 792-2389

b. **Overview of Reporting Entity**

The financial statements of the Medical University of South Carolina (MUSC or the University) include the following component units:

- **Blended Component Units**  
  University Medical Associates (UMA)  
  Medical University Facilities Corporation (MUFC)  
  CHS Development Company (CHS)

- **Discretely Presented Component Units**  
  Medical University Hospital Authority (the Authority or MUHA)  
  MUSC Strategic Ventures (MUSC-SV)  
  MUSC Strategic Ventures Health, Inc. (MSV Health)  
  Medical University of South Carolina Foundation (MUSCF)*  
  MUSC Foundation for Research Development (MFRD)*

* MUSCF and MFRD are audited by other auditors and are not included in this request for proposal.

UMA is a legally separate, non-profit, multi-specialty group practice arrangement. The UMA financial reporting entity includes five blended component units:

- Carolina Family Care, Inc. (CFC)  
- Carolina Primary Care Physicians, PA (CPCP)  
- Carolina Health Management Services (CHMS)  
- Comprehensive Psychiatric Care Services, Inc. (CPS)  
- MUSC Health Partners, Inc. (MHP - expected to begin activity in FY2018)

Each of these component units is either wholly-owned or controlled by UMA and UMA's management makes all related operating decisions. In addition, UMA holds a minority interest in two joint ventures, LowCountry Real Property, LLC and Georgetown Radiation Therapy Center, LLC, for which UMA receives compiled financial statements from independent accountants. UMA also has new majority interest in another joint venture with MUHA, MUSC Health Alliance, LLC (MHA), which will require an audit. MUSC Health Alliance, LLC is an Accountable Care Organization under the provision of the Affordable Care Act.

c. **Nature of Services Required**
Each proposal must address itself to providing the following services:

- **Financial and Compliance audit of the University, MUHA, MUFC, CHS, MUSC-SV, and MSV Health for the years ended June 30, 2017, 2018, 2019, 2020, and 2021.** 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, when applicable, the provisions of *Government Auditing Standards* issued by the Comptroller General of the United States and the OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The audit must include audit procedures to ensure compliance with applicable Generally Accepted Accounting Principles, State Laws, Rules, and Regulations that, if not followed, could materially affect the basic financial statements.

- **Financial and Compliance audit of the UMA, CFC, CPCP, CHMS, CPS, and MHA for the years ended June 30, 2017, 2018, 2019, 2020, and 2021, and of MHP for the years ended June 30, 2018, 2019, 2020, and 2021.** 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, when applicable, the provisions of *Government Auditing Standards* issued by the Comptroller General of the United States. The audit must include audit procedures to ensure compliance with applicable Generally Accepted Accounting Principles, State Laws, Rules, and Regulations that, if not followed, could materially affect the basic financial statements.

- **UMA and its component units may opt out of this Request for Proposal so all proposers must issue two pricing schedules for all entities, one including UMA (and its component units) and one excluding UMA (and its component units).**

- **UMA, MUHA, MUSC and MFRD prepare separately issued financial statements.**

- **MUSC and MFRD are audited by other auditors and are not included in this request for proposal.**

- **The successful proposer must arrange with MUHA and UMA to physically observe year-end inventories at June 30, 2017, 2018, 2019, 2020, and 2021 if, in your opinion, such inventories are material and not observing them would affect your opinion.**

- **Each proposal should include consideration of all currently issued governmental and financial accounting and auditing standards, as applicable.**

- **Each auditee may require assistance from the successful proposer to assist them with technical issues. For example, the auditee may request the successful proposer’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 future GASB pronouncements.
- Assessment of administrative computer or internal controls related to automated administrative systems.
- Assistance with federal and related costing issues.
- Assistance in tax issues for higher education, healthcare, and research institutions.
- Assistance in bond issues topics.
• Assistance in identifying and implementing best business practices for higher education, healthcare, and research institutions.
• Other consulting services offered to higher education, healthcare, and research institutions.

The successful proposer may provide additional professional services to address areas of special emphasis defined by the auditee. Optional professional services must be specified on an hourly rate by staffing and skill level. The successful proposer must obtain approval of the Audit Committee for the scope of work and proposed fees before providing any additional services.

• The Medical University of South Carolina 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 mandated by the South Carolina Comptroller General in accordance with the SC Appropriations Act.

• Formal entrance and exit conferences will be held annually with the Audit Committee and the appropriate auditee representatives 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. The entrance conference will be held in conjunction with the Board of Trustees’ Audit Committee meeting in April each year. Likewise, the exit conference will be held in conjunction with the Board of Trustees’ Audit Committee meeting in December each year.

• You must deliver to the respective chief financial officer, 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 auditee is to be given an opportunity to provide a written response to the current management letter and to any findings of noncompliance. Responses will be included in the management letter when it is issued.

• The auditee may include the audited financial statements in documents issued in connection with the issuance of bonds.

d. Description of Entity and Records

The University is physically located in Charleston, South Carolina. Financial records are maintained primarily in the Harborview Office Tower building at 19 Hagood Avenue in Charleston, South Carolina.

The financial statements represent all activities of the University and its component units. Although University Medical Associates, Medical University Facilities Corporation, and CHS Development Company are legally separate entities, the financial statements of these entities are blended into the University financial statements. In addition, the separate legal entities of the Medical University Hospital Authority, the MUSC Strategic Ventures, the MUSC Strategic Ventures Health, Inc., the MUSC Foundation for Research Development and the Medical University of South Carolina Foundation are discretely presented component units in the University financial statements.

Other external auditors audit the financial statements of the MUSC Foundation for Research Development and the Medical University of South Carolina Foundation. Other external auditors may audit the financial statements of UMA and its component units as UMA and its component units reserve the right to opt out of this Request for Proposal.

The accounting records are processed electronically. Details and a description of the systems will be provided upon request. The June 30, 2016 audit reports to be issued by KPMG, LLP are unqualified. Any management
letters issued for FY2016 will be made available upon request after December 9, 2016. A copy of the audit report may be obtained from the State Auditor’s web page:


e. **Assistance Available to Proposer**

Previous auditor work papers will be made available to the successful proposer. Arrangements to obtain the previous auditor work papers must be made in advance with the Internal Audit office at telephone number (843) 792-1316 or (843) 792-4574.

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

f. **Report Requirements**

**Primary Government**
The University prepares and publishes a Comprehensive Annual Financial Report (CAFR). The CAFR includes the audited financial statements and the Auditor’s Opinion on the financial statements. The University will be accounted for as a business type activity. The financial report will consist of a set of combined financial statements; namely, (a) statement of net position, (b) statement of revenues, expenses, and changes in net position, (c) statement of cash flows and (d) combining nonmajor enterprise fund statements of a, b, and c above, as supplemental information.

The Independent auditors’ report on the financial statements is to be addressed to the Board of Trustees of the Medical University of South Carolina. 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 Board will be required annually, no later than the December Board of Trustees Meeting following closeout.

A Schedule of Expenditures of Federal Awards as required by the OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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 current year expenses.

When applicable, a management letter is to be prepared 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 Trustees of the Medical University of South Carolina.

**Affiliated Organizations:**

**Authority** — The Authority prepares and publishes their Basic Financial Statements and Required Supplementary Information. The independent auditors’ report on the Authority’s financial statements is to be
addressed to the Board of Trustees of the Medical University Hospital Authority. 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 Board will be
required annually, no later than the December Board of Trustees Meeting following closeout.

A Schedule of Expenditures of Federal Awards as required by the OMB’s Uniform Administrative
Requirements, Cost Principles, and Audit Requirements for Federal Awards 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 current year expenses.

UMA - UMA prepares and publishes a Comprehensive Annual Financial Report (CAFR). The independent
auditors' report on UMA’s financial statements is to be addressed to the Board of Directors of University
Medical Associates of the Medical University of South Carolina. 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 audit report must also include an opinion as to whether the statements conform to accounting
principles generally accepted in the United States of America. A presentation to the Board of Directors of
UMA will be required annually following closeout.

For each affiliated organization, when appropriate, a management letter is to be prepared each year with
emphasis on improvement of internal controls related to the financial statements, accounting practices, the
accounting system, legality of actions, instances of noncompliance with laws and regulations, and any other
material matters. The report must include specific statements indicating whether conditions noted in prior
auditor's comments or findings have been corrected or still exist. The report for MUFC, CHS, MUSC-SV, and
MSV Health will be addressed to the Board of Trustees of the Medical University of South Carolina and may
be combined with the University's management letter. The report for the Authority will be addressed to the
Board of Trustees of the Medical University Hospital Authority. The report for CFC, CPCP, CHMS, CPS, MHP,
and MHA will be addressed to the Board of Directors University Medical Associates of the Medical University
of South Carolina and may be combined with UMA’s management letter.

g. Time Considerations and Requirements

RFP must be submitted no later than 3:00 p.m. on March 29, 2017. All offerors will be notified of the selection
decision once determined.

Audit work may begin at a time mutually agreed upon by the successful proposer, the respective Controller of
each auditee, and Internal Audit.

Preliminary and final reports for the Financial Statement Audit including auditor’s opinion letter and
management letter draft must be submitted to the respective chief financial officer. Final reports are to be
delivered no later than 4:30 p.m. on the date specified in each respective year according to the schedule
mandated by the SC Comptroller General’s Office. Final reports for the Single Audit are due to the respective
chief financial officer no later than 4:30 p.m. on November 30 of each year. Failure to meet this deadline
without approval of an extension from the respective chief financial officer will result in forfeiture of the final
payment (10% due upon completion of Single Audit).
These are absolute deadlines because the audited financial statements will be incorporated in the South Carolina Comprehensive Annual Financial Report. Annually, prior to the start of an audit, the University will update the auditor on any required changes in report deadlines.

h. Contractual Arrangements

The University will issue an award letter to the successful proposer. 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, 2017, 2018, 2019, 2020, and 2021. The award letter will also indicate if UMA will participate under the contract.

Any expansion of services resulting in an increase in the maximum fee must have prior approval of the Audit Committee of the Board of Trustees and an amendment issued by MUSC University Purchasing.

The proposal must include a statement that either the University or the successful proposer 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 according to the following schedule:

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<th>UMA</th>
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Separate billings are to be prepared for each auditee (MUSC, MUHA, and UMA) based on the above schedule.

MUSC: Billings are to be addressed to the Audit Committee of the Medical University of South Carolina and delivered to:
   Internal Audit
   45 Bee Street, MSC 206
   Charleston, SC 29425-2060

The University reserves the right to adjust the percentages (up or down) based on your meeting agreed delivery dates in previous year(s). All invoices must include your Federal Employer Identification number.

MUHA: Billings are to be addressed to the Audit Committee of the Medical University Hospital Authority and delivered to:
   Internal Audit
   45 Bee Street, MSC 206
   Charleston, SC 29425-2060
MUHA 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.

UMA: Billings are to be addressed to the Board of Directors of University Medical Associates of the Medical University of South Carolina and delivered to:
The Office of the UMA Chief Financial Officer
96 Jonathan Lucas Street, Suite 601, MSC 617
Charleston, SC 29425-6170
UMA 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.

Contractor must deliver the final audit report to the respective chief financial officer 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.

I. Working Papers

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

III. INFORMATION REQUESTED FROM THE PROPOSER

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

Title Page
Show the RFP subject, the name of the proposer’s firm, address of the responsible office, 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 proposer’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 Medical University of South Carolina.
b) The Board of Trustees of the Medical University of South Carolina is your client.
c) The University and the affiliated organizations specified herein will be responsible for payment of their respective audit fees.
d) The University or the successful proposer 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. State that the all-inclusive fee includes the audit of all major programs as required by the OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. State that this all-inclusive fee includes all out of pocket costs. State by auditee (MUSC, MUHA, UMA) separate all-inclusive fees for each of the five years to be audited.

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 separate hourly rates, by position, for assistance with technical issues or consulting services outside scope of audit (e.g., implementation of GASB directives). State that you will receive prior approval by the Audit Committee of any work, and the related fees, you plan or are asked to perform outside of the scope of the audit.

4. State the names of the persons who will be authorized to make representations for the proposer, their titles, addresses, telephone numbers, fax numbers, and email addresses.

5. State that the person signing the letter is authorized to bind the proposer.

6. State the name of the partner assigned to this engagement and the name of the partner assigned the responsibility for the quality of the report and working papers. Give their telephone numbers, fax numbers and email addresses for use by the University.

7. State that the partner(s) and auditor-in-charge assigned to this engagement will be furnished copies of this RFP and their attention will be specifically directed to the following captions in the Scope of Work/Specifications Section:
   Overview of Reporting Entity
   Nature of Services Required
   Description of Entity and Records
   Assistance Available to Proposer
   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 Proposer

1. State whether the firm is local, regional, national, or international.

2. State the location of the responsible 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. Provide information regarding the firm size and the range of activities performed by the responsible office such as auditing, accounting, tax service, or management services.

4. Describe other relevant services provided by the firm.

5. Describe any business litigation brought against the firm or any of its officers or principals by any entity for fraud, malpractice, misrepresentation, negligence, or similar cause of action within the last five (5) years.

6. Provide information on desk or other reviews of governmental engagements during the last five (5) years which have resulted in correction or reissuance of a report or in disciplinary action.

7. Provide a copy of the firm’s most recent peer review report, including comments, response and letter of acceptance. This may be included in an appendix.

Mandatory Criteria

1. Affirm that the proposer is a properly licensed certified public accountant.

2. Affirm that the proposer is either currently licensed in South Carolina or is a nonresident properly registered under Section 40-2-245 of the 1976 South Carolina Code of Laws, as amended, and the associated Regulations 1-04, 1-05, and 1-10; or if the proposer is a nonresident not yet registered as noted above, affirm that a nonresident proposer will become properly registered prior to commencing work will be acceptable.

3. Affirm that the proposer meets the independence standards of the Government Auditing Standards issued by the Comptroller General of the United States.

4. Affirm that the proposer 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 proposer has not been suspended/debarred from doing federal audits.

7. Affirm that the proposer will maintain on file with the University Purchasing office a Certificate of Insurance for the protection of MUSC. The successful proposer 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.

8. Workpapers for this engagement will be subject to proposer's in-house quality review as well as external quality review. Affirm that if selected for review, copies of comments must be furnished to MUSC Internal Audit upon becoming available to the proposer.

9. Affirm that proposer will take the necessary steps to ensure that Protected Health Information (PHI) is safeguarded as defined by HIPAA Rules, 45 CFR 164.502(g).

10. Affirm that proposer is in compliance with Section 11-57-300 through 11-57-330 of the 1976 South Carolina Code of Laws, as amended, with respect to investment activities in Iran.
Summary of the Proposer’s Qualifications

1. State the identity of senior members of the proposed engagement team, including staff from other than the responsible 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)/principal(s), manager(s) and auditor-in-charge to be assigned to this audit.

2. Describe the recent responsible office auditing experience similar to the type of audit requested.

3. Provide a minimum of three references for the proposer’s most relevant audits during the last five years. Each reference should include the organization’s name and purpose, address, telephone number and email address of the individual representing the client.

4. 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.

5. List any governmental clients that have terminated the proposer’s audit service contract in the last three (3) years. Include the client’s name, date of contract termination, and reason(s) for termination.

Proposer’s Approach to the Audit

Submit a comprehensive work plan to accomplish the scope defined in Section 1 of this RFP. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named. The planned use of specialists should be specified. Any proposed outsourcing or co-sourcing arrangements should be fully disclosed.

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; and, the OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

   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.

   c. Finally, state that no extended services will be performed unless you receive prior written approval by the Audit Committee of any additional work, and the related fees, you plan or are asked to perform.

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

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 proposer’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.”

IV. EVALUATION OF PROPOSALS

Proposals should demonstrate the technical qualification, competence and capacity of the firm seeking to undertake the services required in this RFP. Evaluators will make a determination of the winning proposal based on qualifications of the proposer, audit approach, and cost. Proposals that do not include the minimum requested information, including all statements and affirmation of mandatory criteria, called for in Section II will automatically be rejected as being non-responsive. MUSC reserves the right to request additional information or clarifications from the proposing firms during the evaluation process where it serves MUSC’s best interest. Technical corrections or omissions may be allowed at the discretion of MUSC.

MUSC reserves the right to reject any and all proposals submitted.

MUSC reserves the right to negotiate with the highest rated proposer on final contract terms.
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.

Experience and Qualifications Factor

- Technical experience of firm in higher education, healthcare, and research 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 proposers and then to award the audit to the proposer 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.

V. BUSINESS PROPOSAL

Offerors are to submit a Business/Cost Proposal as a separate document from the Technical Proposal. The Business/Cost Proposal may include the following considerations:

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, as well as separate fees by entity for each of the five years. The entities include MUSC (including MUFC, MUSC-SV, MSV Health and CHS), MUHA, and UMA (including CFC, CPCP, CHMS, CPS, MHP, and MHA). State a separate all-inclusive, per issue fee to be charged by year to review bond documents which include the audited financial statement. State a separate hourly fee by year, by position, for consulting services.

VI. Badges:

Contractor shall be responsible for expenses incurred in having all personnel — contract and/or subcontract — working on the MUSC campus obtain MUSC Identification Badges. This includes a background check and possible Drug and TB Testing. Badges must be obtained prior to contract performance commencement.

VII. Smoking Policy:

Acting upon the recommendations of the Student Government Association and the faculty senate, our board of trustees recently determined that MUSC has become a totally tobacco-free campus effective March 1, 2012.

As South Carolina’s academic health center and home to the only National Cancer Institute-designated cancer institute in the state, it is a part of our mission to prevent cancer and to lead by example in providing the healthiest environment possible for everyone on our campus.

Effective March 1, 2013, the use of tobacco products are prohibited on all streets and sidewalks within the Medical District as defined by the City of Charleston ordinance as well as all property owned or leased by MUSC. Amendments to the tobacco free campus policy also prohibit the use of tobacco products by staff on private properties adjacent to the Medical District without explicit approval from the property owner.