



# UNIVERSITY OF SOUTH CAROLINA

## AMENDMENT 1

DATE: January 30, 2019

TO: ALL VENDORS

FROM: Juaquana Brookins, Procurement Officer

SUBJECT: USC-RFP-3423-JB

DESCRIPTION: Provide Audit Services for the University of South Carolina System

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This Amendment modifies the solicitation only in the manner and to the extent as stated herein.

### Questions and Answers from Vendors.

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OFFERORS SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.

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Authorized Signature

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Name of Offeror

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Date

## Questions and Answers

1. Are you open to considering multiple firms for the scope of work? **No.**
2. Is it possible to propose only on the NCAA agreed-upon procedures engagements for University of South Carolina and Upstate Athletics Departments? **No.**
3. What was the fee for the NCAA agreed-upon procedures for June 30, 2018? **Columbia was \$14,800 and Upstate was \$9,000.**
4. How important is it for the audit firm to have an office local to your institutions? **The most important factor is availability.**
5. When will the RFP's be released for the component units not included in this RFP? **The component units are requested to provide audited statements by early September of each year.**
6. In an effort to understand the level of effort exerted by the current auditing firm, may we be provided with:
  - a. Hours billed - **Billed in lump sum not hours.**
  - b. Prior year fees - **The evaluated amount of the contract was \$130,000.**
  - c. How did the fees charged compare to the fees quoted in the proposal? **Fees were comparable with inflation throughout the 12 year contract.**
7. Can you provide a schedule of auditors in the field from the prior year including number of people and timing (for example, 4 people for 4 weeks in June and 6 people for 8 weeks in September and October)? Please also comment on the timing of the single audit testing, if performed at a later date. **Interim – 4 people for two weeks on site and 1 week at regional campuses. Year End – 4 people for 6 weeks.**
8. Are financial records for all campuses maintained centrally or at the campus level? If not central, what locations other than the Columbia campus? **All financial records are maintained at the Columbia Campus.**
9. Have prior auditors performed fieldwork at campuses/locations other than the Columbia campus? If so, what campuses/locations and approximate timing, number of people and hours at each? **1 day at each of the four year campuses (Aiken, Beaufort and Upstate) with two people for that one day.**
10. Is a standalone report expected to be provided for the annual audit review of Financial Aid for compliance with SACS? What is the timing for completion of this work? **No but requiring to be audited as a major program each year in the Single Audit.**
11. Are you satisfied with the current auditors (a) timeliness (b) pro-activeness on communications (c) involvement outside of the audit process and (d) value they provide to your organization? **No information is noted on file.**

12. Has there been any disagreement with the current auditor firm? If yes, please provide some background on the issue. **No.**
13. Has there been any untimely (not retirement related) resignations of management level employees? **No. However, the President, Provost and CFO are resigning in the next few months.**
14. Has USC investigated a fraud in the last two years? **Yes.**
15. What are the two most significant issues facing USC in the next two years? **Implementation of GASB 87 and implementation of PeopleSoft HCM for HR/Payroll (4/1/2019)**
16. Describe any relationships with third party service providers used by the entity that may have an impact on the accounting or financial reporting of the entity (i.e. ADP, Paychex, etc). **State Treasurer's Office and Public Employee Benefit Authority (PEBA).**
17. Are there any improvements you would like to see in the audit process? **This information should be outlined in the response to the RFP from the Offeror, proposed procedures.**
18. Are there any significant changes in operations in the current year vs. the prior year including changes in policies and procedures, personnel, or the reporting entity? **Implementation of PeopleSoft HCM for HR/Payroll (4/1/2019)**
19. Are there any significant changes expected to the Schedule of Expenditures of Federal Awards (SEFA) over the next 1-3 years (i.e. new large grants or expiration of large grants)? **No.**
20. In prior years, have there been any delays in the audit due to delays in receiving information from third parties or other reasons? **Yes. State Treasurer's Office for information and the Public Employee Benefit Authority (PEBA).**
21. Are there any significant regulatory or legal issues facing USC? **No.**
22. Have there been any recent audits from the Department of Education, State auditors, IRS or other sources? **2016 IRS 941/1099 Audit and several Grant desk audits from National Institute of Health (NIH).**
23. May we be provided with copies of any management letters, if issued, in FY17? **Currently, we do not have any management letter.**
24. Are copies of all of the component unit reports available? **Yes.**
25. Our understanding is that this RFP does not cover tax services? **Tax Services are not covered in this RFP.**
26. Do you have an estimated number of hours the previous auditors spent on the engagement? **Current client bills in lump sum not hours.**
27. Are you taking meetings prior to the Proposal deadline? **No.**