

PROCUREMENT  
AND MATERIALS  
MANAGEMENT



**City of Myrtle Beach**  
**SOUTH CAROLINA**

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**Addendum #01**  
**January 18, 2024**

**RFP 24-R0017**  
**Auditing Services**

The purpose of this Addendum #01 to RFP 24-R0017 for Auditing Services, dated January 4, 2024, is to answer the following questions:

1. The City's RFP indicates that a bid bond or a cashier's check in the amount of 5% of the total dollar amount of the proposal is required for this solicitation. Our firm's policy is to not acquire such bid bonds or provide a cashier's check in response to audit solicitations. Our professional standards relative to auditor independence require that we remain independent throughout the audit. We believe acquiring a performance bond violates our requirement to be independent with respect to the City. Does the failure to acquire bonds or supply a cashier's check disqualify us from proposing on this solicitation?

**No bonds are required for this project.**

2. Page 27 of the RFP states that the auditor is required to prepare the government-wide conversion and the notes to the financial statements, but then states later on page 27 that the City is responsible for preparing the ACFR. Then, page 28 indicates that the City prepares a draft of the ACFR. Is this indicating that the City prepares the ACFR and simply needs some assistance preparing the government-wide conversion and the notes to the financials, or is this indicating that the auditor prepares and provides the City with the government-wide conversion (Statement of Net Position and Statement of Activities) and the footnotes to the financial statements and provides those items to the City for inclusion in the City's ACFR? Basically, is the preparation of the ACFR a joint effort between City personnel and the auditor?

**The ACFR is a joint effort between City personnel and the auditor. The auditor prepares the footnotes and the government-wide conversion, City staff prepares the rest of the information, and then they are combined into one document.**

3. Page 30 of the RFP states that the City will have all records ready for audit by May 1, 2024. How is this possible considering the City has a June 30 year end? What types of records will the City have available for interim work during the May time period?

This was an oversight. A preliminary meeting will be expected in May.

4. In the past, about how much time (days or weeks) onsite in City offices has interim work and fieldwork taken place?

Interim work and fieldwork time is not currently available.

5. Please provide the annual fees paid to the City's audit firm for the services in the RFP for the past two years?

The annual fees paid to the City's audit firm for the services in the RFP for the past two years average approximately \$89,000.00

6. Page 27 of the RFP indicates that 10% of each invoice will be withheld from each billing pending delivery of the final reports. Our invoices are payable on presentation in full as work progresses, and in the event of this solicitation being awarded to our firm, we would include such language in our audit engagement letter. Is this an issue for the City?

The City pays all invoices NET30, including all progress billing. The final invoice will not be paid until all deliverables are complete and accepted by the City.

Sealed proposals are due no later than Friday, February 2, 2024 at 2:00PM (local time.) No electronic submissions will be accepted. The City is not responsible for late or misdirected mail.

Thank you,  
City of Myrtle Beach  
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