

**REQUEST FOR PROPOSALS**

**AUDIT SERVICES**

**RFP NO. 26-1008**



**catawba county**

**MAKING. LIVING. BETTER.**

**Date of Issue: February 3, 2026**

**Proposals Due: March 2, 2026**

**Time: 3:00 PM ET**

**Issued for:**

**Catawba County Finance Department  
25 Government Drive  
Newton, North Carolina 28658**

**Issued by:**

**Catawba County Purchasing Manager  
25 Government Drive  
Newton, North Carolina 28658  
(828) 465-8224**

## **TABLE OF CONTENTS**

<b>SECTION 1 INTRODUCTION .....</b>	<b>3</b>
1.1 PURPOSE	
1.2 BACKGROUND	
1.3 OBJECTIVE	
<b>SECTION 2 PROPOSAL INFORMATION .....</b>	<b>3</b>
2.1 GENERAL INFORMATION	
2.2 RFP SCHEDULE	
2.3 PROPOSAL QUESTIONS	
2.4 PROPOSAL SUBMITTAL	
2.5 REJECTION OF PROPOSALS	
2.6 PROPOSAL CONTENTS	
<b>SECTION 3 AUDIT TYPE AND SCOPE.....</b>	<b>8</b>
3.1 TYPE OF AUDIT	
3.2 SCOPE OF AUDIT	
<b>SECTION 4 PROPOSAL EVALUATION AND AWARD .....</b>	<b>9</b>
4.1 EVALUATION METHOD – SELECTION PROCESS	
4.2 EVALUATION CRITERIA	
4.3 METHOD OF AWARD	
<b>SECTION 5 AUDITOR REQUIREMENTS .....</b>	<b>10</b>
5.1 AUDITOR REQUIREMENTS	
5.2 AUDIT CONTRACT: PERIOD & PAYMENT OF AUDIT FEES	
5.3 FIRM CERTIFICATION	
5.4 COMPLIANCE WITH LAWS	
5.5 CONTROLLING LAW	
5.6 NON-APPROPRIATION CLAUSE	
5.7 INSURANCE COVERAGE	
5.8 SUBCONTRACTORS	
5.9 E-VERIFY	
<b>SECTION 6 GOVERNMENTAL ENTITY DESCRIPTION.....</b>	<b>13</b>
6.1 DESCRIPTION OF GOVERNMENT ENTITY AND ITS ACCOUNT SYSTEM	
<b>SECTION 7 ATTACHMENTS .....</b>	<b>18</b>
ATTACHMENT A: SUMMARY OF AUDIT COSTS SHEET	
ATTACHMENT B: INTENT TO PROPOSE	
ATTACHMENT C: REFERENCE DISCLOSURE FORM	

## **SECTION 1 - INTRODUCTION**

### **1.1 PURPOSE**

Catawba County (hereinafter “County”) is requesting proposals from qualified independent auditors (hereinafter “Auditor” or “Firm”) having proven governmental accounting and auditing experience performing audits in accordance with the specifications outlined in this Request for Proposal (RFP).

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included in this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the County. The County reserves the right to negotiate additional services with the selected proposer at any time after the initial contract award. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Catawba County, North Carolina.

### **1.2 BACKGROUND**

Catawba County is a unit of local government in the State of North Carolina with a current population of approximately 167,000. Catawba County has a commissioner-manager form of government. The five members of the Board of County Commissioners are elected in a partisan election by qualified voters for overlapping four-year terms of office.

### **1.3 OBJECTIVE**

The objective of this RFP is to obtain professional auditing services that support the efficient, transparent, and compliant operation of the local government, in accordance with applicable laws, regulations, and best practices, while promoting accountability and effective stewardship of public resources.

## **SECTION 2 – PROPOSAL INFORMATION**

### **2.1 GENERAL INFORMATION**

This RFP is intended to provide Firms with a common, uniform set of instructions to assist in the development of their proposals and to provide a uniform method for the County to fairly evaluate proposals and subsequently select a proposal that provides the best solution for the County. Firms are encouraged to initiate preparation of proposals immediately upon receipt of the RFP in order for all relevant questions and informational needs to be identified and answered, and to allow adequate time to prepare a comprehensive and complete response.

This RFP is comprised of the base RFP document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

There is no expressed or implied obligation for the County to reimburse Firms for any expenses incurred in preparing proposals in response to this request.

## **2.2 RFP SCHEDULE**

The table below shows the *intended* schedule for this RFP. Catawba County will make every effort to adhere to this schedule.

<b>Event</b>	<b>Responsibility</b>	<b>Date and Time</b>
Issue RFP	County	February 3, 2026
Submit Written Questions	Firm	February 18, 2026 by 5:00 PM ET
Provide Responses to Questions	County	February 20, 2026 by 5:00 PM ET
Submit Proposals	Firm	March 2, 2026 by 3:00 PM ET
Notice of Recommended Firm	County	March 6, 2026
Board of Commissioners Approval	County	March 16, 2026
Contract Effective Date	County/ Firm	April 1, 2026

**The proposal response shall be submitted no later than 3:00 PM ET on March 2, 2026. No submittals will be accepted after the deadline.**

## **2.3 PROPOSAL QUESTIONS**

After the RFP issue date, all communications between the County and Firms regarding this RFP shall be in writing. Upon review of the RFP documents, Firms may have questions to clarify or interpret the RFP in order to submit the best proposal possible. To accommodate the Proposal Questions process, Firms shall submit any such questions by the above due date. Written questions shall be emailed to [tinawright@catawbacountync.gov](mailto:tinawright@catawbacountync.gov) by the date and time specified above. Firm should enter “RFP # 26-1008 – Questions” as the subject for the email. Answers to questions received will be provided to Auditors by issuance of an Addendum posted to the County’s website at [www.catawbacounty.gov](http://www.catawbacounty.gov). This information will also be emailed to all Proposers who have submitted their intent to bid and contact information. All questions shall be received no later than 5:00 PM, February 18, 2026.

## **2.4 PROPOSAL SUBMITTAL**

Proposals, subject to the conditions set forth herein, will be received at the address indicated in the table below, no later than **3:00 PM on March 2, 2026**. Each envelope should be clearly labeled with: RFP 26-1008 – Audit Services.

<b>Mailing address for delivery of proposal via US Postal Service</b>	<b>Office Address of delivery by any other method (hand delivery, overnight, or any other carrier)</b>
RFP Number: RFP 26-1008 Catawba County Government Center Attn: Purchasing Department Post Office Box 389 Newton, North Carolina 28658	RFP Number: RFP 26-1008 Catawba County Government Center Attn: Purchasing Department 25 Government Drive Newton, North Carolina 28658

**IMPORTANT NOTE:** All proposals shall be physically delivered to the office address listed above on or before the submission deadline in order to be considered timely, regardless of the method of delivery. **This is an absolute requirement.** All risk of late arrival due to unanticipated delay—whether delivered by hand, U.S. Postal Service, courier or other delivery service is entirely on the Proposer. It is the sole responsibility of the Proposer to have proposals physically in this Office by the specified time and date above. Attempts to submit a proposal via facsimile (FAX) machine, telephone or electronic means, including but not limited to email, in response to this RFP will **not** be accepted.

Proposals must be submitted with **one (1) original, one (1) copy, and one (1) electronic copy on flash drive**. Each Proposer must thoroughly examine the RFP to ensure that the Proposer can meet all requirements of this RFP. When responding to this RFP, please follow all instructions carefully. Failure to follow these instructions in your proposal may be considered a non-responsive submission and may result in immediate elimination from further consideration.

Critical updated information may be included in Addenda to this RFP. It is important that all Proposers responding to this RFP periodically check the County website for any Addenda that may be issued prior to the proposal due date or complete Attachment B – Intent to Propose and submit back to County at [tinawright@catawbacountync.gov](mailto:tinawright@catawbacountync.gov) to be notified when Addenda are issued. All Proposers shall be deemed to have read and understood all information in this RFP and all Addenda thereto.

Offers submitted pursuant to this RFP are valid Ninety (90) days after Proposal due date. Proposals received will remain confidential until a contract is awarded. No public bid opening will be held for this solicitation.

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

Should a Proposer find discrepancies in, or omissions from the RFP documents, or should he/she be in doubt as to their meaning, he/she should at once notify the County, and a written addendum will be issued if necessary. The County shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the County during the competitive process or after award. The County is bound only by information provided in this RFP and in formal Addenda issued through the County's Purchasing website. Acknowledgment of any addendum received will be noted on Attachment A - Summary of Audit Costs Sheet. In closing of a contract, any addendum issued will become a part thereof.

## **2.5 REJECTION OF PROPOSALS**

Catawba County reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP. The County also reserves the right at its sole discretion to waive minor administrative irregularities contained in any proposal. Failure to comply with any of the terms and conditions of this RFP may result in rejection of a proposal.

## **2.6 PROPOSAL CONTENTS**

Proposers must carefully read the information requested in this "Proposal Contents" section and submit a complete proposal responding to each request for information. In order to evaluate responses efficiently and equitably, responses must be tabbed as identified below. Failure to submit information requested may render your proposal non-responsive.

Proposal Submissions must include the following information:

### **Tab 1: Executive Summary**

- Provide an executive summary of the firm's proposal. The summary should highlight aspects of the proposal which make it superior in addressing the needs

and specifications of Catawba County, including successfully meeting required state submission deadlines.

## **Tab 2: Profile of Firm**

- Provide a concise description of your company, including origin, year established, background, current size, type of company (individual, partnership, corporation, etc.) and list the names of all partners, principals, etc.
- Indicate the Audit firm's North Carolina location(s) that will handle the services requested in this RFP.
- Provide a list of the audit firms' local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.

## **Tab 3: Qualifications**

- Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
- Describe your audit organization's participation in AICPA sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
- Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site.
- Describe the relevant experience and education with the new Governmental Accounting Standards Board (GASB) reporting requirements, seminars and courses attended within the past three years. Courses in governmental accounting and auditing should be clearly communicated.
- Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer service and Solid Waste/Landfill functions).
- Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
- Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2024 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
- Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
- Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
- Comment on your knowledge of and relationship with the NC Local Government Commission and the University of North Carolina School of Government in Chapel Hill.

#### **Tab 4: Audit Approach**

- Type of audit program used (tailor-made, standard government, or standard commercial).
- Use of statistical sampling.
- Use of automated processes and internal control testing methods.
- Use of computer audit specialists.
- Organization of the audit team and the approximate percentage of time spent on the audit by each member.
- Information that will be contained in the management letter.
- Assistance expected from the government's staff, if other than outlined in the RFP.
- Tentative schedule for completing the audit within the specified deadlines of the RFP.

#### **Tab 5: Audit Fees**

- Specify costs using the format below for the audit year July 1, 2025 to June 30, 2026. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2026 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a "not-to-exceed" amount.
  - Audit firm personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
    - Estimated hours: please categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the Auditor's office.
    - Rate per hour.
    - Total cost for each category of personnel and for all personnel costs in total.
  - Travel – itemize transportation and other travel costs separately.
  - Cost of supplies and materials – itemize.
  - Other costs – completely identify and itemize.

(If applicable, note your method of determining increases in audit costs on a year-to-year basis.)
- Please list any other information the firm may wish to provide.
- Please include Attachment A, the Summary of Audit Costs Sheet with your proposal.

## **Tab 6: References – Past Performance and Existing**

- Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference. Please complete Attachment B: Reference Disclosure Form and submit with response.

### **SECTION 3 – AUDIT TYPE AND SCOPE**

#### **3.1 TYPE OF AUDIT**

The audit will encompass a financial and compliance examination of the unit's Annual Comprehensive 1 Financial Report (ACFR) in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; Government Auditing Standards, 2024 revisions; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the State Single Audit Implementation Act; and all other applicable laws and regulations.

#### **3.2 SCOPE OF AUDIT**

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

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

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

The audit will also include the following:

- A. Pre-planning conference with County Finance staff where both the Auditor and Finance staff discuss their expectations of the audit.
- B. Interim audit work prior to June 30th and/or prior to final close.
- C. Attendance at the Board of Commissioners meeting in mid-December for presentation of the financial statements by Partner of the Audit Firm with comments and potential questions from the Board as requested.

The audit should encompass all funds and entity-wide activities as reported in the County's Annual Comprehensive Financial Report (ACFR) at June 30, 2026, and for each subsequent contract year, and any additional funds or entity-wide activities that may be added subsequent to that date.

If required, the audit firm will issue a management letter to the Board of Commissioners after completion of the audit and assist management in implementing recommendations, as is practical. County staff also request that an informal letter be addressed to the Finance Officer with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Finance Officer prior to issuance.

County staff may require the Auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the County's financial statements. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards and other reporting requirements at June 30 year-end. Cost for providing these services should be included in the Auditor's base fee quote and will not be considered extra for additional billings. In cases, however, where services requested would require a more in-depth scope and require work significantly above the original fee quote, such additional fees must be negotiated, and mutually agreed upon by the parties in writing, prior to commencement of work.

## **SECTION 4 – PROPOSAL EVALUATION AND AWARD**

### **4.1 EVALUATION METHOD – SELECTION PROCESS**

Catawba County will use the following selection process. This process is designed to ensure that firms are selected in a fair and uniform manner, those selected for work are qualified and experienced in the professional services desired, and to ensure that every qualified Proposer has the opportunity to be considered for providing professional services to Catawba County.

A Selection Committee will evaluate responses to the Request for Proposal and determine the most qualified applicants. Upon receipt of the packages from respondents, the Selection Committee will review submissions using a scoring program that has been determined by the County and detailed below. Past performance will be scored based on responses from the references submitted by the responder and/or the experience of Catawba County staff with particular firm's past performance. Only one reviewer will contact any given reference.

The Selection Committee will use the total point scores to rank the prospective Firms. The Selection Committee will determine a list of the most highly qualified Firms based upon the

ranking scores. Once the Firms are selected, authorization will be sought from the Catawba County Board of Commissioners for contract award.

**4.2 EVALUATION CRITERIA**

The Content of RFP Submissions, as referenced above, shall be evaluated as follows:

Description	Total Possible Points
Profile of the Firm	10
Qualifications	40
Audit Approach	35
References – Past Performance and Existing	15
	<b>100 Points</b>

**4.3 METHOD OF AWARD**

In accordance with N.C.G.S. § 143-129.8, “Contracts shall be awarded to the person or entity that submits the best overall proposal as determined by the County”. In addition, the County may negotiate with any Proposer in order to obtain a final contract that best meets the needs of County. However, negotiations will not alter the original intent of the scope of services.

**SECTION 5 – AUDITOR REQUIREMENTS**

**5.1 AUDITOR REQUIREMENTS**

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors. A planning meeting will be held each year to determine schedules that the County will be responsible for preparing. Estimated timeframes will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

The Catawba County audit engagement must be conducted in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards, 2024 revisions, issued by the Comptroller General of the United States; and if applicable, the U. S. Office of Management and Budget’s (OMB) Uniform Guidance and, if applicable, the State Single Audit Implementation Act, and any other applicable procedures for the audit of a local government’s financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP). By accepting this engagement, the Auditor warrants that they have met the requirements for a peer review and continuing education as specified in Government Auditing Standards. **The Auditor must provide a copy of their most recent peer review report with their proposal.**

The County Finance Director will prepare an electronic draft Annual Comprehensive Financial Report (ACFR) before late October. The Auditor will communicate all recommendations, revisions and suggestions for improvement to the Finance Director. The Finance Director will complete the review of the comments as expeditiously as possible. Once

all issues for discussion are resolved and the auditor provides opinions and compliance reports, the Finance Director will deliver the final electronic draft of the ACFR to the Auditor. The Auditor will complete and submit the necessary Single Audit information to the Federal Audit Clearinghouse on behalf of the County.

Meeting LGC deadlines is a high priority for the County. Therefore, Catawba County prefers interim fieldwork be completed during May but before early June, at the latest. Year-end fieldwork should begin by or before mid-September and be completed by late September. While many documents can be shared electronically, the County expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. **An agreed upon post-closing trial balance will be provided by mid-October.** The Finance Director will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

**The timing of the draft and review should ensure final completion of the Financial Statements by October 31<sup>st</sup> or no later than the annual deadline of December 31<sup>st</sup>.**

The Auditor is responsible for completing the required data input sheet and electronically submitting the final Audit report/ACFR as a text-based PDF file to the State & Local Government Financial Division when (or prior to) submitting the final invoice for audit services rendered to the Commission.

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

The partner of the audit firm is required to present and attend the Board of Commissioners' meeting in which the Audit report is presented. Required communications to the Board of Commissioners can be delivered at this point, as well as general comments regarding the audit process and the results of the audit. County Finance staff will coordinate this presentation and determine the date and time of the meeting, typically held in mid-December following the audit completion.

## **5.2 AUDIT CONTRACT: PERIOD & PAYMENT OF AUDIT FEES**

The County intends to continue the relationship with the auditor for no less than three (3) years starting with fiscal year ending June 30, 2026. Continuation after the first-year contract will be based on an annual review of the Auditor, recommendation of the department staff, satisfactory negotiation of terms (including price), and availability of an appropriation. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. After the initial three-year period, an annual extension may be granted by the County based on the above-mentioned criteria until a determination is made to request new proposals. The years identified under this RFP are:

July 1, 2025 to June 30, 2026  
July 1, 2026 to June 30, 2027  
July 1, 2027 to June 30, 2028

The required current revision of the form "Contract to Audit Accounts" (form LGC-205) is required to be executed as the contract document; however, the Auditor and the County may also execute an engagement letter and/or a County contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff

of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the County. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

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

### **5.3 FIRM CERTIFICATION**

By signing this Proposal, Firm certifies that it is qualified and capable to perform the Services, that it is financially able to perform the services timely, and that it knows of no existing or contemplated condition, obligation or obstruction that will prevent it from performing the Services. Firm shall comply with all applicable laws, regulations, ordinances, guidelines, and grant requirements and shall obtain all environmental and other applicable governmental permits applicable to this Agreement. Firm hereby indemnifies County against any punitive or other action resulting from or associated with Firm's failure to do so.

### **5.4 COMPLIANCE WITH LAWS**

All Firms are expected to comply with all federal, state and local laws and regulations relative to the preparation and submission of proposals for insurance. All proposals that are submitted will be presumed to be in compliance with all applicable laws.

### **5.5 CONTROLLING LAW**

Any contract resulting from this RFP will be governed and construed in accordance with the laws of the State of North Carolina. Venue for any adversarial proceeding is Catawba County.

### **5.6 NON-APPROPRIATION CLAUSE**

Payment to Firm for services is expressly conditioned upon availability of funds, and upon the actual receipt of funds, from appropriated revenue sources. If funds are insufficient to meet expected performances hereunder due to non-appropriation or reduction of funds by the source, services to be provided hereunder may be adjusted by the parties, in writing, to conform with the funds which are actually available. If such adjustment is impractical or would defeat the intent or purpose of this Agreement, same may be terminated accordingly without penalty.

### **5.7 INSURANCE COVERAGE**

If Firm is selected for contract award, a Certificate of Insurance must be provided showing coverages, with limits approved by County, for the following lines: commercial general liability, automobile liability, cyber liability, workers' compensation & employers' liability.

### **5.8 SUBCONTRACTORS**

Firm shall not subcontract any of the work contemplated under this Request for Proposal or Agreement resulting from this Request for Proposal.

## **5.9 E-VERIFY**

Firm shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Firm uses a subcontractor, Firm shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

## **SECTION 6 – GOVERNMENTAL ENTITY DESCRIPTION**

### **6.1 DESCRIPTION OF THE GOVERNMENTAL ENTITY AND ITS ACCOUNT SYSTEM**

Reference should be made to the most recent ACFR/Audit report for a general overview of the County. A PDF copy of the most recent ACFR/Audit report is located on the County's website at <https://www.catawbacountync.gov/county-services/finance/reports/comprehensive-annual-financial-reports-cafr/>

The following organizations will be discretely presented component units in the ACFR:

Catawba Valley Medical Center

Catawba County ABC Board

A separate report is issued by the Hospital and the ABC Board and the related audit engagement is by separate contract.

#### **A. Funds**

Catawba County maintains the following funds:

##### Governmental Funds

##### General Fund:

- General Fund
- Self-Insurance
- Register of Deeds Automation
- Tax Revaluation

##### Special Revenue Funds:

- Emergency Telephone System
- State Unauthorized Substance Abuse
- Narcotics Federal Seized Justice
- Narcotics Federal Seized Treasury
- Rescue Squads
- Library Endowment
- Gretchen Peed Scholarship
- Parks/Historical Preservation
- Community Development
- Stream Debris Removal
- Office of Budget and Management Direct Grant
- Fines and Forfeitures
- DSS Representative Payee
- Register of Deeds Technology Enhancement
- Fire District Fund – 14 separate funds

Capital Projects Funds:

- Hospital Capital Reserve
- General Capital Projects
- School Capital Projects
- School Construction Projects
- Subdivision Rd Improvement Projects
- NC Railroad Grant Projects

Enterprise Funds

Solid Waste Management:

- Solid Waste Operating
- Solid Waste Capital Projects

Water & Sewer:

- Water and Sewer Operating
- Water and Sewer Capital Projects

Custodial Funds:

- Inmate Fund
- Municipal Tax Collection

**B. Grants, Entitlements, and Shared Revenues**

A copy of the Schedule of Federal and State Expenditures and a Summary of Auditor's Results showing the major programs for the year ended 2026 can be found in the ACFR located on the County's website.

**C. Budgets**

All budgets are prepared using the modified accrual basis of accounting as required by North Carolina law. All appropriations for annually budgeted funds are made at the departmental level and at the project level for the multi-year funds. The County also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide comparison with actual expenditures.

**D. Accounting Records**

The County maintains all its accounting records at the finance office located at 25 Government Center Drive, Newton, NC 28658. All accounting journals and subsidiary ledgers are maintained on Oracle PeopleSoft software. The County uses CCH Engagement software to assist in preparation of its annual ACFR and other backup information.

**E. Assistance Available to Auditor**

**The County will designate an individual that understands the services to be provided in accordance to GAGAS §3.73 (GAGAS 2024 Revision)**

The County will make available to the Auditor sufficient help to pull and re-file records, and prepare necessary confirmations. An interim trial balance will be made available by May of each contract year prior to scheduled interim audit fieldwork. An electronic version of the trial balance with budgeted amounts will be made available in late August. The following accounting procedures will be completed and documents prepared by the County's staff no later than September 1.

The books of account will be fully balanced.

All subsidiary ledgers will be reconciled to control accounts.

All bank account reconciliations for each month will be completed.

The County's personnel will prepare the following items:

### **General**

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. Working Statement of Cash Flows where required.
4. General Ledger transaction detail report for each account.
5. A copy of the original budget, all amendments, and the final budget as of June 30.
6. A copy of all project ordinances and all amendments for active projects during the audit period.
7. A copy of board policies, including travel and investment policies, debt policies, fund balance policies and purchasing policies including how the pre-audit process is performed.
8. Copies of all signed Board meeting minutes.
9. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, letters regarding the audited financial statements and compliance reports for the previous year.
10. Required supplementary information, e.g. actuarial information for the Law Enforcement Officers' Separation Allowance and Other Postemployment Benefits (OPEB).

### **Cash and Investments**

1. All bank reconciliations for each month, signed and dated by both a preparer and a knowledgeable reviewer.
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

### **Receivables**

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end.
2. Listing of outstanding receivables by account as of the fiscal year end.
3. Listing of outstanding receivables in detail as of the fiscal year end.
4. Schedule of miscellaneous receivables booked as of the fiscal year end.

### **Other Assets**

1. Schedule of insurance coverage.
2. Schedule of inventories

### **Capital Assets**

1. Listing of fixed assets by function and activity with supporting schedule of changes in fixed assets and supporting detail of additions, retirements and transfers.
2. Printout of all capital asset acquisitions made during the audit year and CIP placed in service.
3. Printout of all capital asset dispositions made during the audit year.
4. Printout of depreciation expense posted for the audit year.

### **Current Liabilities**

1. Schedule of accounts payable and accrued accounts payable.
2. Schedule of accrued payroll.
3. Schedule of calculation of health insurance and workman's compensation liabilities.
4. Schedule of retainage payable.

### **Long-Term Debt**

1. Computation of compensated absences as of the audit date.
2. Debt Schedule for each debt issue and related payments.
3. Lease and subscription-based IT agreements, schedule and related payments

### **Grants**

The following will be compiled for each grant:

1. Grant agreement
2. Grant budget
3. Schedule of expenditures of federal and state awards
4. Correspondence with the grantor agency, including monitoring reports
5. Federal Assistance Listing # and/or pass-through grant #
6. Summary schedule of prior audit findings (if applicable)
7. Corrective action plan for each audit finding that will be presented on the Schedule of Findings and Question Costs on County letterhead (if necessary)

### **Conversion**

1. Entries to convert from fund to government-wide statements
2. Working Statement of Net Position
3. Working Statement of Activities
4. Allocation of depreciation among functional areas
5. Computation of additions and retirements of compensated absences
6. Reconciliation of fund and government-wide statements
7. Worksheet for determination of major funds
8. Worksheet of combining statements for non-major funds

### **Size and Complexity of County Personnel/Payroll**

Number of employees	1,110+
Frequency of payroll	Bi-weekly
Number of payroll direct deposit advises monthly	2,939
<b>Property Tax</b>	
Total dollar amount of most recent year's collections	\$ 123,567,513
Total dollar amount of levy	\$ 125,365.085

**Purchasing**

Number of purchase orders issued (FY 2025)	1,772
--	-------

**Bank Accounts**

Number of bank accounts	9
-------------------------	---

Number of investment accounts (non-escrow)	4
--	---

Average monthly activity in main accounts:	
--	--

Number of deposits: Central Depository	1,200
--	-------

Number of checks/ACH Payment: Central Depository	1,054
--	-------

**The following financial applications are on the computer system:**

General Ledger  
Accounts Payable  
Project Accounting  
Payroll  
Capital Assets  
Cash Receipts  
Accounts Receivable

## SECTION 7 – ATTACHMENTS

### ATTACHMENT A SUMMARY OF AUDIT COSTS SHEET

	FY26	FY27	FY28
Base Audit – Catawba County: Includes personnel costs, travel, on-site work, etc.	\$	\$	\$
Optional Audit Services • Financial Statement Preparation	\$	\$	\$
Other (explain):	\$	\$	\$
Other (explain):	\$	\$	\$
<b>TOTAL:</b>	\$	\$	\$

**ACKNOWLEDGEMENT:** Addendum, if issued, received and used in computing bid:

Addendum No. 1 \_\_\_\_\_ Addendum No. 2 \_\_\_\_\_

Addendum No. 3 \_\_\_\_\_ Addendum No. 4 \_\_\_\_\_

### PROPOSAL CERTIFICATION

**Firms Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**By signing above, I certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.**

BY (Printed): \_\_\_\_\_

TITLE: \_\_\_\_\_

COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

**ATTACHMENT B  
INTENT TO PROPOSE  
REQUEST FOR PROPOSAL #26-1008**

**This form should be faxed to 828-548-2378 or e-mailed to [TinaWright@catawbacountync.gov](mailto:TinaWright@catawbacountync.gov) to ensure you receive all addenda issued for this RFP.**

I, \_\_\_\_\_ a representative of  
\_\_\_\_\_ confirm  
that we intend to submit a proposal response for RFP #26-1008 – for Audit Services.

Company Name \_\_\_\_\_

Address \_\_\_\_\_

Contact Name \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

E-mail \_\_\_\_\_

Date \_\_\_\_\_

**ATTACHMENT C**  
**REFERENCE DISCLOSURE FORM**

Firm shall provide information for references by listing THREE (3) MOST RECENT CLIENTS, References should be clients of a similar scale as the services requested in this RFP.

1. COMPANY NAME: \_\_\_\_\_  
PERSON TO CONTACT: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
EMAIL ADDRESS: \_\_\_\_\_  
TYPE OF SERVICE PROVIDED: \_\_\_\_\_  
SIZE: \_\_\_\_\_  
JOB DATES:  
BEGINNING \_\_\_\_\_ END \_\_\_\_\_

---

2. COMPANY NAME: \_\_\_\_\_  
PERSON TO CONTACT: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
EMAIL ADDRESS: \_\_\_\_\_  
TYPE OF SERVICE PROVIDED: \_\_\_\_\_  
SIZE: \_\_\_\_\_  
JOB DATES:  
BEGINNING \_\_\_\_\_ END \_\_\_\_\_

---

3. COMPANY NAME: \_\_\_\_\_  
PERSON TO CONTACT: \_\_\_\_\_  
TELEPHONE NUMBER: \_\_\_\_\_  
EMAIL ADDRESS: \_\_\_\_\_  
TYPE OF SERVICE PROVIDED: \_\_\_\_\_  
SIZE: \_\_\_\_\_  
JOB DATES:  
BEGINNING \_\_\_\_\_ END \_\_\_\_\_