



## **TOWN OF SEABROOK ISLAND & SEABROOK ISLAND UTILITY COMMISSION**

### **REQUEST FOR PROPOSALS (RFP 2019-01 FINANCIAL AUDIT SERVICES**

The Town of Seabrook Island (the “Town”) and the Seabrook Island Utility Commission (the “SIUC”) are jointly soliciting sealed proposals from qualified audit firms for financial auditing services for the fiscal periods ending December 31, 2019, 2020, 2021, 2022, and 2023.

Audit firms responding to this RFP must meet the following minimum qualifications to be considered:

- The audit firm shall be licensed to practice in the State of South Carolina;
- The audit firm shall have previous public sector auditing experience in the State of South Carolina; and
- The audit firm shall have no conflict of interest with regard to any other work performed by the firm for the Town or SIUC.

Sealed proposals must be received no later than **2:00 PM on Friday, September 27, 2019**. Sealed proposals should be hand delivered or mailed by traceable means to the Town of Seabrook Island, Attn: Town Administrator, 2001 Seabrook Island Road, Seabrook Island, SC 29455. All proposals must be clearly marked “**RFP 2019-01 Financial Audit Services.**” To be considered responsive, proposals must respond to and address all of the issues reflected in the attached requirements document/ questionnaire and the proposal price summary attachment. Proposals will be opened in the Office of the Town Administrator at **2:30 PM on Friday, September 27, 2019**.

The proposal evaluation process will be completed within 90 days of receipt of proposals, and the prospective provider of this service will be identified. Pricing data reflected in proposals must be good through at least **Friday, January 31, 2020**.

Offerors may submit questions or requests for clarification in writing no later than **2:00 PM on Tuesday, September 17, 2019**. After that date, no more questions or requests will be accepted.

The Town and SIUC reserve the right to accept or reject any or all proposals received as a result of

this request for proposals; to negotiate with all qualified offerors; to waive informalities, technical defects, and minor irregularities in bids received not involving price; and to cancel, in whole or in part, this request for proposals if it is in the Town and SIUC's best interest to do so

This solicitation does not commit the Town or SIUC to award a contract or to pay for any costs incurred in the preparation of proposals or to procure or contract for any goods or services.

Proposals must be signed by an official of the offeror's company who is authorized to commit to and enter into a formal contract for goods and services.

The Town and SIUC do not discriminate on the basis of race, color, national origin, sex, religion, age, military/veteran status, or disability in employment or in the procurement of goods and services.

**1. SPECIAL INSTRUCTIONS TO OFFERORS:**

**A. Purpose of RFP**

The purpose of this RFP is to solicit proposals from qualified firms to provide the Town and SIUC with financial audit services for fiscal periods ending December 31, 2019, 2020, 2021, 2022, and 2023.

RFP requirements, selection criteria and auditing service data can be found in Section 4 of this document.

**B. General Information**

Town of Seabrook Island

Incorporated in 1987, the Town of Seabrook Island (Pop. 1,858) is located on a barrier island on the Atlantic coast of South Carolina. The island is located approximately 20 miles south of Charleston, South Carolina. The Town is governed by an elected Mayor and four Town Council members, each of whom is elected to two-year terms by residents of the Town. The Town operates under the Mayor-Council form of government.

The Town has three full-time employees and two part-time employees. The Town contracts with private companies for the provision of several public services, including beach patrol and landscaping services. Other services, including law enforcement and fire suppression, are provided by the Seabrook Island Property Owners Association or other units of government, such as Charleston County and St. Johns Fire District.

The Town maintains several funds, including: General Fund, State Accommodations Tax Fund, County Accommodations Tax Fund, Alcohol Tax Fund, Emergency Fund, Road and Drainage Fund, Town Facilities Fund, and Vehicle Replacement Fund. The Town's budgeted expenditures in FY 2019 will be \$2,179,775. As of 2019, the Town has no outstanding debt.

For more information, please visit [www.townofseabrookisland.org](http://www.townofseabrookisland.org).

### Seabrook Island Utility Commission

The Seabrook Island Utility Commission was established by the Town in 1995 for the purpose of operating and maintaining the Town's municipally owned water and sewer system. The SIUC is governed by a three-member commission, and members are elected to staggered six-year terms by residents of the Town. The SIUC provides utility services to properties located inside the town limits, as well as a limited number of properties outside the Town limits.

The SIUC contracts with Louis Berger, a private operations and maintenance company, for the operation and maintenance of the Town's utility system. All SIUC personnel are employees of Louis Berger; the SIUC does not have any full- or part-time employees.

The SIUC maintains several funds, including: Operations and Maintenance Fund, Capital Fund, Debt Service Fund, Debt Service Reserve Funds, and Emergency Fund. The SIUC's budgeted expenditures in FY 2019 will be \$3,381,771. As of 2019, the SIUC has approximately \$4.8 million in outstanding debt, including:

- South Carolina Water Quality Revolving Fund Authority Loan (2005)
- South Carolina Water Quality Revolving Fund Authority Loan (2012)
- Water and Sewer System Refunding Revenue Bonds (2015)

In conformity with accounting principles generally accepted in the United States of America, the financial statements of SIUC have been included in the financial reporting entity as a discretely presented component unit. The Town considers the SIUC to be a component unit because the SIUC's revenue bonds are issued in the name of the Town, creating financial accountability. The SIUC is reported in a separate column to emphasize that it is legally separate from the primary government.

For more information, please visit [www.siuc.org](http://www.siuc.org).

## **2. ADMINISTRATIVE AND CONTRACTUAL INFORMATION**

### **A. Inquiries**

All inquiries for information regarding procurement procedures, selection criteria, proposal submission requirements, technical operating environment, or other fiscal/administrative concerns shall be directed to:

Joseph M. Cronin, Town Administrator  
E-mail: [jcronin@townofseabrookisland.org](mailto:jcronin@townofseabrookisland.org)  
Phone: (843) 768-9121

**B. RFP Specifications**

This RFP is intended to describe the Town and SIUC's requirements and provide a response format in sufficient detail to secure comparable proposals.

**C. Implied Requirements**

All products and services not specifically mentioned in this RFP, but which are necessary to provide the functional capabilities described by the offeror, must be included in the proposal.

**C. Offeror-Supplied Materials**

Any materials submitted by an offeror shall become property of the Town and SIUC unless otherwise requested by the offeror at the time of submission. Any material considered confidential in nature must be so marked.

**D. Offeror's Proposals**

Offerors must submit a sealed response to this RFP in writing. The proposal must follow the format provided in Section 4 of this document. Any proposals that do not follow the format outlined in this RFP will be deemed non-responsive. Each proposal must be submitted with **one (1) original paper copy, five (5) paper copies, and one (1) electronic copy (PDF file on CD or USB).**

**E. Economy of Preparation**

Proposals should be prepared simply and economically. Emphasis should be placed on clarity and content. All of the questions in the requirements sections of this RFP must be completed in their entirety. Any proposal that fails to respond to all the questions will be deemed non-responsive.

**F. Contract Information**

While this RFP requests proposals for audit services for both the Town and SIUC, it should be noted that the contract is intended to be a single, three-party agreement between the Town, SIUC and the selected offeror.

**G. Term of the Contract**

The initial term of this contract shall be for one year (FY 2019). The contract may be renewed for up to four (4) additional one-year periods for Fiscal Years 2020-2023 upon approval of Town Council and the SIUC. **Firms must provide pricing for all five (years).**

**H. Response Date**

Sealed proposals must be received at Town Hall on or before the date and time specified in this RFP. Proposals received after this deadline will not be considered.

### **3. RFP EVALUATION AND SELECTION PROCESS**

#### **A. Review of Proposals**

The review of submitted proposals will occur as soon as practical following the due date. The review process will involve evaluating all proposals for completeness, conformity, clarity, and compliance with the RFP requirements. Proposals which do not meet the minimum requirements outlined in this RFP will be considered non-responsive and excluded from further consideration.

Proposals will be evaluated by a five (5) member review panel (the "Review Panel"). The Review Panel will be made up of the Mayor of the Town and two (2) other individuals selected by the Mayor, and the Chairman of SIUC and one (1) other individual selected by the Chairman.

#### **B. Interviews**

Following an initial review, the Review Panel will select the top three offerors. The top three offerors will be scheduled to participate in an interview process with the Review Panel. Interviews may be scheduled in-person or by video conference. The presentations will take place on or around the week of **October 28, 2019**.

#### **C. Selection Process**

After the interviews have been completed, the Review Panel will determine the offeror which is most qualified to provide financial auditing services to the Town and SIUC utilizing the selection criteria outlined herein. The Review Panel's recommendation will be reviewed by Town Council and the SIUC, which shall make the final selection and approve the awarding of a contract with the successful offeror.

#### **D. Notice of Award of Contract**

The successful offeror will be notified of selection by a written notice of award. The successful offeror will be required to accept the terms and conditions of the Town and SIUC's standard contract for these services (see Exhibit D). If the offeror uses an industry standard form of contract, the offeror may submit a copy of this contract as part of its proposal; however, the Town and SIUC reserve the right to accept, modify or reject, in whole or in part, such standard contract. The content of this RFP and the successful offeror's proposal will become a part of the final contract documents. A contract must be executed by the Town, SIUC and the successful offeror within fifteen (15) days of both the Town Council and SIUC both having voted to award the contract, unless

extended by mutual agreement of all three parties.

The successful offeror shall not undertake any services, and neither the Town nor SIUC will be responsible for payment for any services whatsoever undertaken by successful offeror, prior to the execution of a contract and issuance of a notice to proceed.

#### **4. RFP REQUIREMENTS AND GENERAL INFORMATION**

##### **A. General Information**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the related cash flows. The various licenses, fees and charges the Town collects are recognized in the period for which they were levied.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Licenses and permits, fines, and miscellaneous revenues are recorded as revenues when received in cash. State tax assessments and investment earnings are recorded when earned (when they are measurable and available). Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenues from the water and sewer services are recognized on the accrual basis and as earned. Services are supplied to customers under a rate structure designed to produce revenues sufficient to provide for operating and maintenance costs, capital costs, and certain debt services. Operating revenues and expense are those that result from providing services and delivering goods and services to customers.

The Town's accounting system is hosted on a virtual server and uses the QuickBooks software program. The Town currently accepts receipts by cash and check only. The Town contracts with Duffy and Basha for accounting and financial reporting services, and with Automatic Data Processing, Inc. (ADP) for payroll services.

The SIUC's accounting system is hosted on a virtual server and uses the Smart Fusion software program from Harris Computer Systems. The SIUC currently accepts utility payments by check or online via a website administered by Harris Local Government.

##### **B. South Carolina Audit Experience**

**Offerors must have a minimum of five (5) years South Carolina Audit experience. The names of the government entities/municipalities serviced by the offeror must be included in the offerors references.**

### C. Scope of Audit

The funds to be audited are those listed in Exhibit A of this proposal. The Town and SIUC shall have closed and balanced all accounts for all funds to be examined by the auditor by **March 31** of each year.

#### Reports

The auditor shall assist the Town and SIUC in preparing ten (10) bound copies and one electronic copy of the Town's Comprehensive Annual Financial Report, which shall include the SIUC as a component unit. The report shall include an opinion on the General Purpose Financial Statements and "in relation to" opinion on individual funds and supplementary schedules for both the Town and SIUC. The financial statements shall be prepared in conformance with the generally accepted accounting principles applicable to government entities for General Purpose Financial Statements and on an individual basis for all funds and account groups as described in statements issued by the Governmental Accounting Standards Board and Auditor General and any amendments thereto with supplemental schedules for sub-funds and consistent with GFOA Certificate of Achievement Standards and Practices.

Special reports shall be prepared concurrently with the report on the General Purpose Financial Statements required above or at other times as specifically required by law, and contracts. The following reports shall be required:

1. Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards made as part of the examination of the General Purpose Financial Statements.
2. Report on compliance with laws and regulations related to major Federal financial assistance programs, if applicable.
3. State of South Carolina Annual Local Government Financial Report.
4. Single audit of the Town's disaster recovery funds, if applicable.
5. Any other required disclosures or report.

The auditor shall observe the adequacy of the system of internal control. If weaknesses are noted, appropriate recommendations should first be reviewed with the appropriate officials and included in a separate letter to the Town Council.

#### Special Projects

The selected firm may be called upon to prepare special financial reports as directed by

the Town and/or SIUC. Any such projects will be billed to the Town and/or SIUC on a pro rata basis consistent with the approved hourly rate schedule included with the firm's proposal.

**D. Auditing Standards**

The examination shall be conducted in accordance with (a) generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants (AICPA) including the AICPA's Industry Audit Guide, Audits of State and Local Governmental Units; (b) Standards for Audit of Governmental Organizations, Programs, Activities and Functions (excluding the review of economy and efficiency of operations and program results) as published by the Comptroller General of the United States; (c) OMB Circular A-128; (d) Rules of the South Carolina State Auditor; and (e) any other applicable Federal, State, Local Regulations or Professional Guidance not specifically listed above.

**E. Completion of Work**

The auditor must complete all audit work and provide a "Draft" Audit Report to the Town and SIUC by **the second week of June**. A "Final" Audit Report shall be provided on or before **July 1st** and presented during the first meeting of Town Council and the SIUC, respectively, during the month of July. (Note: The fiscal year for the Town and SIUC ends on December 31<sup>st</sup> of each year.) If the Town and/or SIUC have not closed and balanced all accounts by March 31 of each year, this schedule may be modified upon agreement by all three parties.

**F. Information to be requested from the Offeror**

In order to facilitate a uniform review process and to obtain the maximum degree of comparability, all proposals must be organized in the manner specified below:

1. Title Page

Show the RFP subject, the name of the offeror's firm, local address, telephone number, name of the contact person and the date.

2. Table of Contents

Include a clear identification of the material by section and by page number.

3. Letter of Transmittal (Limit to one to two pages)

a. Briefly state the offeror's understanding of the work to be done, a brief description of the project approach, and make a positive commitment to perform the work within the required time period.

b. Give the names of the persons who will be authorized to make representation

on behalf of the offeror, their titles, addresses and telephone numbers.

4. Profile of the Offeror

- a. State whether the firm is local, national or international.
- b. Give 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.
- c. Describe the range of activities performed by the local office such as audit, accounting, tax service, or management services.

5. Summary of the Offeror's Qualifications (in addition to minimum qualification)

- a. Identify the partners, managers, and supervisors who will work on the external audit, including staff from other than the local office. Resumes for each supervisory person to be assigned to the audit should be included. (The resumes may be included in the appendix.) The use of subcontractors shall not be permitted without prior written authorization from both the Town and SIUC.
- b. Describe recent local and regional office auditing experience similar to the type of audit requested and provide the list of names, telephone numbers, and the contact person of the municipalities for whom your local and regional office has performed the audit in the **last (5) years only**.

6. Fee Schedule

- a. Clearly describe the scope of the required services to be provided.
- b. The auditor shall familiarize themselves with and comply with the provisions of any and all federal, State and County Orders, Statutes, Ordinances, Charter, Bond Covenants, Administrative Code and Orders, Rules and Regulations which may pertain to the work required in the engagement.
- c. Except as otherwise specifically provided for in the contract, the fee shall be inclusive of all state and local taxes applicable to the services provided. The auditor shall be responsible for obtaining a Town business license for each year during which services are provided.

7. Sample Audit

Provide one (1) copy of the most recent municipal audit performed by your firm. (The sample audit may be included in the appendix.)

8. Audit Proposal Summary Sheet

Attach one copy of the Audit Proposal Summary Sheet. (See Exhibit B)

9. Non-Collusion Oath

Every bid must be accompanied by a notarized affidavit of non-collusion, executed by the offeror or in the case of a corporation, by a duly authorized representative of said corporation. (See Exhibit C)

**G. Evaluation of Proposals and Selection Criteria**

Proposals will be evaluated to ascertain which offeror best meets the needs of the Town and SIUC using three sets of criteria. Vendors meeting the mandatory requirements will have their proposals further evaluated using the selection criteria reflected below:

1. Past experience and technical qualifications

- a. The audit firm's past experience and performance on comparable government engagements of similar size and scope.
- b. The qualifications of the audit firm's professional personnel to be assigned to the engagement and the audit firm's management support personnel available for technical consultation.

2. Audit Approach

- a. The offeror's demonstrated understanding of the scope of work, including but not limited to audit methodology, audit coverage, adequacy of sampling techniques and sufficiency of analytical procedures.
- b. The adequacy of the proposed staffing plan for various segments of the engagement and ability to meet the Town's schedule for these audits.

3. Fee

**H. Additional Information and Contact**

1. The Town and SIUC will not be liable for any costs incurred in the preparation of proposals in response to this RFP.
2. The offeror shall furnish the Town and SIUC such additional information as the Town and SIUC may reasonably require.
3. The Town and SIUC will not be liable for any costs which were not included in the proposal and, subsequently, contracted for costs.

4. The Town and SIUC will not be liable for any costs incurred by the offeror in connection with participating in an on-site interview (i.e. travel, accommodations, etc.)
5. The contract with the successful offeror shall be subject to the General Terms and Conditions listed in Exhibit D, and such other terms and conditions as may be mutually agreeable between the Town, SIUC and the successful offeror.
6. Offerors wishing additional information or clarification of information provided herein should contact Joseph M. Cronin, Town Administrator, by phone at (843) 768-9121 or by email at [jcronin@townofseabrookisland.org](mailto:jcronin@townofseabrookisland.org).

**EXHIBIT A**

**Summary of Town & SIUC Funds to be Audited**

## Summary of Town & SIUC Funds to be Audited

### Town of Seabrook Island (Town)

#### **Governmental Funds**

- General Fund
- Accommodations Tax Fund (State)
- Accommodations Tax Fund (County)
- Alcohol Tax Fund
- Emergency Fund
- Roads & Drainage Fund
- Town Facilities Fund
- Vehicle Replacement Fund
- Municipal Court Fund

#### **Enterprise Funds**

- None

#### **Other Information**

- # Investment Accounts: 1
- # Checking Accounts: 2
- # Checks Issued (2018): 499
- # Court Payments (2018): 43

#### **Payroll Information**

- # Employees: 5 (3 FT & 2 PT)
- # Direct Deposits (2018): 96
- # Payroll Checks (2018): 24
- Payroll Frequency: Bi-Monthly

### Seabrook Island Utility Commission (SIUC)

#### **Enterprise Fund**

- Operating Account
- Accounts Payable Account
- State Investment Fund
- Escrow Accounts (For Bonds)

#### **Other Information**

- # Investment Accounts: 1
- # Checking Accounts: 2
- # Checks Issued (2018): 575

#### **Payroll Information**

- Not Applicable

**EXHIBIT B**  
**Audit Proposal Summary Sheet**

## Audit Proposal Summary Sheet

Audit Firm Information	
Audit Firm Name	
Audit Firm Address	
Contact Name	
Contact Phone	
Contact Email	

Persons Responsible for Audit		
Position	Name	# Years with Firm
Partner		
Manager		
Auditor		
Other(s)		

Fee Information		
Fiscal Year (FY)	Audit Fee	Hourly Rate for Additional Svcs.
FY 2020		
FY 2019		
FY 2020		
FY 2022		
FY 2023		

Comments

References			
Client Name	Contact Person	Contact Phone	# Years Engaged

Signature
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\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**EXHIBIT C**  
**Non-Collusion Oath**

## Non-Collusion Oath

CITY/TOWN OF: \_\_\_\_\_

STATE OF: \_\_\_\_\_

Before me, the Undersigned, a Notary Public, for and in the City/Town and State aforesaid, personally appeared \_\_\_\_\_ and made oath that the offeror herein, its agents, servants, and/or employees, to the best of its knowledge and belief, have not in any way colluded with anyone for and on behalf of the offeror, or itself, to obtain information that would give the offeror an unfair advantage over others, nor have they colluded with anyone for and on behalf of the offeror, or itself, to gain any favoritism in the award of the contract herein.

SWORN TO BEFORE ME THIS

\_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_

Authorized Signature for Offeror

NOTARY PUBLIC FOR THE STATE OF

\_\_\_\_\_

\_\_\_\_\_

My Commission Expires: \_\_\_\_\_

Print Offeror's Name

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

Offeror's Address:

\_\_\_\_\_

\_\_\_\_\_

Phone Number: \_\_\_\_\_

\_\_\_\_\_

**NOTARY SEAL (Required for Out of State Offerors)**

**EXHIBIT D**  
**General Terms & Conditions**

## General Terms and Conditions

The successful offeror will be required to accept the following general terms and conditions:

### Insurance

The successful offeror will be required, at its own expense, to procure and maintain for the duration of their contract with the Town and SIUC insurance against claims for injuries to persons or damages to property which may arise from or in connection with services provided by the successful offeror, his agents, representatives, employees or subcontractors.

- A. The successful offeror shall carry and maintain Workman's Compensation Insurance in statutory amounts for its employees.
- B. The successful offeror shall carry and maintain a comprehensive general liability policy of at least one million dollars (\$1,000,000.00) per occurrence (combined single limit of liability) to cover operations, equipment and contractual liability. The policy shall be issued on an occurrence basis and name the Town and SIUC as an additional named insured to the full limits of liability purchased by the offeror, even if those limits of liability are in excess of those required by the terms hereof. Such insurance shall be primary and non-contributory with respect to any other insurance coverage of the Town or SIUC.
- C. The successful offeror shall maintain automobile insurance liability policies on all of its vehicles used in the performance of the services with at least five hundred thousand / one million dollars (\$500,000.00 / \$1,000,000.00) coverage.
- D. Any deductibles or self-insured retentions larger than \$5,000 must be declared to and approved by the Town and SIUC.
- E. Each insurance policy required by the Town and SIUC shall be endorsed to state that should any of the required policies be cancelled before the expiration date thereof, notice will be delivered to the Town and SIUC prior to the date of such cancellation.
- F. All coverages for subcontractors, where permitted, shall be subject to all the requirements stated herein.
- G. Insurance must be placed with an approved insurance company with current Best's rating of A+, A, or A-and minimum Financial Size Category (FSC) of VIII or greater. Exceptions to this requirement must be approved in writing by the Town and SIUC.
- H. The successful offeror shall furnish the Town and SIUC with Certificates of Insurance noting the endorsements. The Certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town and SIUC before work commences. The Town and SIUC reserve the right to require complete, certified copies of all required insurance policies, at any time.

Required certificates should be mailed to:

Town of Seabrook Island  
Attn: Town Administrator

2001 Seabrook Island Road  
Seabrook Island, SC 29455

The certificates shall be attached as an exhibit to the contract.

**Indemnification**

Except for expenses or liabilities arising from the negligence or intentional acts of the Town or SIUC, the successful offeror shall expressly agree to indemnify, defend and hold the Town and SIUC harmless against any and all expenses and liabilities arising out of the performance or default hereunder as follows:

The successful offeror shall expressly agree that to the extent that there is a causal relationship between its negligence, action or inaction, or the negligence, action or inaction of any of its employees or any person, firm or corporation directly or indirectly employed by the successful offeror and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage) that is suffered by the Town, SIUC and/or their officers or employees or by any member of the public, to indemnify, defend and save the Town and SIUC and their officers and employees harmless from and against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising directly or indirectly out of the performance of the contract to be entered into by the parties. Such costs are to include, without limitation, defense, settlement and reasonable attorney's fees incurred by the Town and its employees. This obligation to indemnify shall include, without limitation, bodily injuries or death occurring to the successful offeror's employees and any person, directly or indirectly employed by the successful offeror (including, without limitation, any employee of any subcontractor), the Town or SIUC's officers or employees, the employees of any other independent contractors, or occurring to any member of the public. When the Town or SIUC submits notice, the successful offeror shall promptly defend any aforementioned claim, demand or lawsuit. This obligation shall survive the suspension or termination of the contract resulting from this RFP. The limits of insurance required in such contract shall not limit the successful offeror's obligation of indemnification. The recovery of costs and fees all extend to those incurred in the enforcement of this indemnity.

**Non-Discrimination**

Non-Discrimination: The successful offeror shall not discriminate against any individual based upon age, sex, race, disability or religion, and shall abide by the requirements set forth in Executive Order No. 11246, as amended, including specifically the provisions of the equal opportunity clause.

**Drug Free Workplace**

Drug Free Workplace: The successful offeror shall comply with the South Carolina Drug-Free Workplace Act, Section 44-107-10 et. seq., South Carolina Code of Laws, as amended.

**E-Verify**

Pursuant to Section 8-14-20(B) and Title 41, Chapter 8, of the South Carolina Code of Laws, 1976, as amended, the offeror agrees to register and participate in the federal E-Verify work authorization program to verify the employment authorization of all new employees, and will require agreement from its subcontractors, and through the subcontractors, any sub-subcontractors, where allowed, to register and participate in the federal work authorization program to verify the employment authorization of all new employees.