

CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY

REQUEST FOR PROPOSALS #18-02

FINANCIAL AUDIT SERVICES FISCAL YEARS ENDING JUNE 30, 2018, 2019, 2020 AND 2021

February 2, 2018

I. BACKGROUND

A. CVWMA Description

The Central Virginia Waste Management Authority (CVWMA) is a political subdivision of the Commonwealth of Virginia formed by 13 member local governments, including the Cities of Colonial Heights, Hopewell, Petersburg and Richmond, the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan, Prince George, and the Town of Ashland. The Authority is a primary government with no component units. The Authority is jointly governed by the 13 jurisdictions listed herein, however it is not a component unit of any of the participating governments.

The CVWMA was created by the member local governments to provide recycling and other waste management services in response to requests from the local governments. The governing body of each of these local governments appoints one or more member representatives to the CVWMA Board of Directors. The CVWMA is governed by a 20 member Board of Directors.

The CVWMA service area covers 2,442 square miles of land area and includes a population of about 1.2 million.

The Authority was created and incorporated by the State Corporation Commission in December 1990 under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950 as amended) to assist member localities with solid waste planning, satisfying Virginia's recycling requirement and other waste management and recycling initiatives. The Authority's purpose is to plan, acquire, construct, reconstruct, improve, extend, operate, contract for and maintain any garbage and refuse collection, transfer and disposal program or system, including waste reduction, waste material recovery, recycling as mandated by law or otherwise, resource recovery, waste incineration, landfill operation, ash management, sludge disposal from water and wastewater treatment facilities, household hazardous waste management and disposal and similar programs or systems, within one or more of the political subdivisions which are members of the Authority.

B. Basis of Accounting, Reporting and Budgeting

The Authority administers six enterprise funds: the General Operating Fund, the Residential Recycling, the Drop-Off Recycling, the Municipal Solid Waste, the Waste Transfer and Disposal and Special Waste Funds are considered major funds.

The accounting records for the Authority are maintained on the accrual basis and the accounting policies of the Authority conform to accounting principles generally accepted in the United States

of America as promulgated by the Government Accounting Standards Board (GASB) for enterprise funds of governmental units.

Each member government contributes funding to support the administration of the Authority. Each special project, such as the regional residential recycling program, is paid for separately by those localities electing to participate in that specific program. The Authority manages an approximately \$15 million annual budget, over 90% of which is pass through based on the programs the member governments participate in.

The Authority's Fiscal Year is July 1 through June 30. The CVWMA Staff prepares the annual Comprehensive Annual Financial Report (CAFR) and submits to the Virginia Auditor of Public Accounts by its September 30 deadline. The Authority also participates in the Government Finance Officers Association (GFOA) annual Certificate of Achievement for Excellence in Financial Reporting and has received this prestigious award each year for the last 20 years. The 2017 CAFR can be found on our website: <http://cvwma.com/about-us/financial-information/>

C. Project Description

CVWMA issues this Request for Proposal for professional services pursuant to the Virginia Public Procurement Act, Virginia Code Section 2.2-4300 et seq.

It is the intent of this Request for Proposal (RFP) to establish a contract for annual financial auditing services for the CVWMA for the fiscal years ending June 30, 2018, 2019, 2020, and 2021 with two optional one (1) year extensions.

The CVWMA's contact concerning this Request For Proposal is:

Kimberly A. Hynes
Executive Director
CVWMA
2100 West Laburnum Avenue, Suite 105
Richmond, Virginia 23227

II. PROPRIETARY INFORMATION

Proprietary information submitted by any Offeror in connection with this RFP shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, **the Offeror must invoke the protection prior to or upon submission of the data or other materials, and must identify the data or other materials by page or paragraph to be protected, and state the reasons why protection is necessary.**

III. SCOPE OF WORK

The auditor shall perform the annual audits of CVWMA's financial statements consisting of a General Operating Fund and special project funds and provide all services pursuant to this contract in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audit of Authorities, Boards and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia.

The Auditor shall perform the following basic services to the CVWMA for Fiscal Years 2018, 2019, 2020 and 2021 in accordance with the standards outlined above:

- A. Annual audits for each Fiscal Year, ending on June 30, of each year, from June 30, 2018 through June 30, 2021, governed by this contract, to be timely filed and completed by September 15 of each fiscal year unless there is a change in the current audit requirements imposed by laws, regulations or professional standards requiring an increase in the level of services or if any irregularities, circumstances or unforeseen conditions are encountered which necessitate extension of audit work beyond the scope of normal auditing procedures. This provision includes the two year extensions if mutually agreed upon by both parties.
- B. Preparation of a letter on internal control and written communication of significant matters relating to the audit, under separate cover, at the conclusion of the audits, setting forth comments and recommendations and reporting any material weaknesses in internal accounting controls noted by the Auditor during the course of each examination. Said written communication shall be reviewed in draft form with the Executive Director prior to its submittal in final form to the CVWMA Audit Committee.
- C. The Auditor shall disclose immediately all findings of suspected fraud or embezzlement to the CVWMA Executive Director, General Counsel and/or Executive Committee.
- D. The Auditor shall meet with the CVWMA Executive Director and Audit Committee, as needed, before, during the course of and after completion of the audit on matters directly relating to the audit.
- E. The Auditor agrees to make a presentation to the CVWMA Audit Committee at the conclusion of each audit of the results of the audit and to communicate any significant findings.

IV. PROPOSAL SUBMITTAL REQUIREMENTS, REVIEW CONDITIONS AND CRITERIA TO BE EVALUATED

A. Proposal Requirements

The proposal shall, at a minimum, include the following items in the following order:

1. Discussion of proposer's experience specific to auditing and/or providing financial services for regional agencies similar to the CVWMA;
2. Discussion of proposer's experience specific to auditing public agencies;
3. Qualifications of personnel to be assigned to the audit;
4. Proposed schedule for project completion; and
5. A list of at least three (3) references including the name, address and telephone number of an appropriate contact person.

B. Submittal Specifications

Five (5) copies of the proposal shall be submitted to the CVWMA no later than **2:00 pm** on **Friday, March 2, 2018** at the following address:

Central Virginia Waste Management Authority
RFP #18-02
2100 W. Laburnum Ave, Suite 105
Richmond, VA 23227
ATTN: Kimberly A. Hynes, Executive Director

The proposals shall be submitted in sealed envelopes and shall be clearly marked as being submitted in response to this RFP. Offers by email, facsimile or telephone are not acceptable.

Any proposals delivered after the specified date and time will not be considered and will be returned unopened. It shall be the Offeror's sole responsibility to ensure that the proposal is complete and delivered at the proper time and place.

C. Proposal Evaluation Process and Contract Negotiations

The CVWMA Audit Committee and Staff will review and evaluate all proposals received. All submitted proposals will be ranked by the Audit Committee based on the proposal criteria outlined in IV.A herein and below.

Upon review and evaluation of the proposals, the Audit Committee will select two or more Offerors deemed to be fully qualified and best suited among those submitting proposals for an interview. Selection shall be made from the top-ranked Offerors, on the basis of the factors stated below.

In the event that negotiations with the top-ranked Offeror are unsuccessful, negotiations will be formally terminated and the CVWMA will enter into negotiations with the next highest ranking Offeror, until a contract satisfactory and advantageous to the CVWMA is negotiated. The CVWMA reserves the right to reject all proposals received and initiate a new competitive proposal process.

Should the Audit Committee determine in its sole discretion that only one Offeror is fully more qualified than the others, a contract may be negotiated with and awarded to that Offeror. If negotiations are unsuccessful, the CVWMA reserves the right to issue a new Request for Proposals.

In evaluating proposals, the CVWMA will consider:

1. Responsiveness and completeness of the proposal with respect to this RFP;
2. Proposed staffing to perform the audit and experience of audit team and reputation of the firm generally;
3. Experience in auditing regional or multi-jurisdictional agencies, authorities, or other similar public agencies and entities;

4. Experience in auditing public agencies in general and general reputation of firm;
5. The proposed work plan, timing of the audit and level of CVWMA staff assistance requested;
6. Responsiveness to questions at interview (if proposer is selected for interview).
7. Reference checks.

D. Tentative Procurement and Contract Dates:

Although the following dates are subject to change, it is anticipated that the following schedule will apply.

RFP Released	February 2, 2018
Proposal Deadline	March 2, 2018
Interviews with Offerors	April 9, 2018
Award by CVWMA Board	April 20, 2018
Contract Executed	May 15, 2018

V. **CONTRACT AWARD**

The CVWMA Board of Directors will award a contract for financial audit services pursuant to this RFP, based on recommendation of the Audit Committee on or about April 20, 2018. Successful Offeror will be notified prior to the recommendation of the award and the award will be posted in CVWMA Board meeting agenda and meeting minutes on the CVWMA website.

VI. **COMPLIANCE WITH EQUAL OPPORTUNITY**

In connection with this RFP and resulting Contract, the auditor agrees as follows:

A. The auditor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or other basis prohibited by state law relating to discrimination in employment, except where such is a bona fide occupational qualification reasonably necessary to the normal operation of the auditor. The auditor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

B. The auditor, in all solicitations or advertisements for employees placed by or on behalf of the auditor, in connection with this contract, will state that the auditor is an equal opportunity employer.

C. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this Section.

D. The auditor will include the provisions of the foregoing paragraphs, A, B, and C in every subcontract or purchase order executed in connection with this contract, so that the provisions will be binding upon each subcontract or vendor.

E. The auditor shall comply with Executive Order No. 11246 entitled "Equal Employment Opportunity" as supplemented in Department of Labor Regulation (41 CFR Part 60). During the performance of this Contract, Auditor, for itself, its assignees and successors in interest, agrees to comply with Title VII of the Civil Rights Act of 1964, as amended, which is made part of this Contract by reference, and with any other applicable provision of federal or state law guaranteeing equal employment opportunity.

VII. DRUG-FREE WORKPLACE

During the performance of this Contract, the auditor shall comply with all federal, state and local government laws regarding controlled substances, where applicable. In addition the auditor agrees as follows:

- A. Auditor will provide a drug-free workplace for the contractor's employees.
- B. Auditor will post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- C. Auditor will state in all solicitations or advertisements for employees placed by or on behalf of the auditor that the auditor maintains a drug-free workplace.
- D. Auditor will include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with § 2.2-4312 of the Code of Virginia, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

VIII. CONFLICT OF INTEREST

The auditor certifies that to the best of his knowledge, it is independent with respect to the services to be performed by the auditor in response to this RFP and under the resulting Contract pursuant to the professional standards established by the American Institute of Certified Public Accountants, and that the auditor will adhere to such standards during the term of this Contract.

IX. COMPLIANCE WITH LAWS AND GOVERNING LAW

This RFP and any contract resulting from this RFP shall be interpreted pursuant to the laws of the Commonwealth of Virginia. The auditor shall at all times observe and comply with all laws, ordinances, and regulations of federal, state and local governments which may affect the performance of the contract. Any dispute relating to the RFP or resulting contract shall be brought only in applicable state court in the City of Richmond, Virginia.