

INTRODUCED: February 28, 2022

AN ORDINANCE No. 2022-047

To authorize the Director of Procurement Services, for and on behalf of the City of Richmond, to execute a Goods and Services Contract between the City of Richmond and CliftonLarsonAllen LLP for auditing services.

\_\_\_\_\_  
Patrons – President Newbille and Ms. Nye

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: MAR 28 2022 AT 6 P.M.

WHEREAS, pursuant to a process of competitive negotiation for professional services undertaken in accordance with the requirements of Chapter 21 of the Code of the City of Richmond (2020), as amended, City officials have solicited proposals and selected a contractor, CliftonLarsonAllen LLP, to provide auditing services; and

WHEREAS, pursuant to section 2-1081(b)(4) of the Code of the City of Richmond (2020), as amended, the City's Audit Committee has provided, by the time of the City Council's consideration of this ordinance, its recommendations concerning the selection of this external auditor to the City Council; and

WHEREAS, section 8.10 of the Charter of the City of Richmond (2020), as amended, requires the approval of the City Council in order for the City to enter into a contract for such auditing services;

AYES:              7          NOES:              0          ABSTAIN:                        

ADOPTED:   MAR 28 2022      REJECTED:                         STRICKEN:

NOW, THEREFORE,

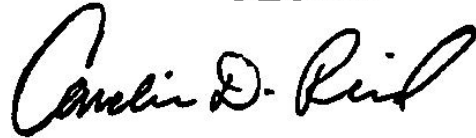
THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Director of Procurement Services, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Goods and Services Contract between the City of Richmond and CliftonLarsonAllen LLP to provide auditing services. Such contract shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:**

**TESTE:**

A handwritten signature in black ink, appearing to read "Carlin D. Reil". The signature is fluid and cursive, written over the "TESTE:" text.

**City Clerk**



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Council Chief of Staff

### Ordinance/Resolution Request

**TO** Haskell Brown, Interim City Attorney

**FROM** Joyce L. Davis, Interim Council Chief of Staff  
Office of the Council Chief of Staff

**COPY** Louis Lassiter, City Auditor  
Amy Robins, 5<sup>th</sup> District Liaison  
Tabrica Rentz, Acting Deputy City Attorney

**DATE** February 18, 2022

**PAGE/s** 1 of 2

**TITLE** External Auditing Services Contract Award

This is a request for the drafting of an **Ordinance** ☒ **Resolution** ☐

**REQUESTING COUNCILMEMBER/PATRON**

Cynthia Newbille, Councilmember

**SUGGESTED STANDING COMMITTEE**

Finance

**ORDINANCE/RESOLUTION SUMMARY**

Ordinance to authorize the execution of a multi-year contract with an external audit firm to perform annual audits of the City's Annual Comprehensive Financial Reports (ACFR), Single Audits and other agreed upon audit procedures.

**BACKGROUND**

Request an ordinance to authorize the execution of a multi-year contract with an external audit firm to perform annual audits of the City's Annual Comprehensive Financial Reports (ACFR), Single Audits and other agreed upon audit procedures.

**REASON:** Section 8.10 of the City Charter requires City Council to select a certified public accountant firm (CPA) to conduct an annual audit of the City's accounts, books, records and financial transactions. There are no additional renewals remaining on the existing contract. A new contract is required for the fiscal year 2022 external audit. Section 15.2-25.11 of the Code of Virginia requires each locality to have a contract for the performance of the annual audit by April 1 of each fiscal year.

**RECOMMENDATION:** It is recommended that the City Council adopts this ordinance to award the external auditing services contract to the selected contractor.

**BACKGROUND:** The City contracts with a CPA firm to conduct the annual external audits. Competitive negotiation procedures are utilized to solicit proposals and select a contractor. The contract is for an initial three-year term and includes two one-year renewal options. There are no additional renewals remaining on the existing contract. A new contract is required for the fiscal year 2022 external audit.

No budget amendments required as costs are already captured in the annual budgets. The attachment contains the information for annual contract pricing.

**AFFECTED AGENCIES:** Department of Finance, City Auditor's Office

The expected date of introduction is February 28, 2022.

**FISCAL IMPACT STATEMENT**

Fiscal Impact	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Budget Amendment Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Estimated Cost or Revenue Impact	\$ 0	

Attachment/s      **Yes** ☒   **No** ☐

Goods and Services Contract between the City and Contractor – Final Draft  
Request for Proposal 210016017 – External Auditing Services  
Contractor Proposal  
Binding Contract Pricing



**CONTRACT No. 22000008081**

**CITY OF RICHMOND**  
**GOODS AND SERVICES CONTRACT**

This Contract, dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022 (the “Commencement Date”) between the City of Richmond, Virginia (the “City”) and CliftonLarsonAllen LLP (the “Contractor”), is binding among and between these parties as of the date of the City’s final signature.

**WHEREAS**, the City has awarded the Contractor this Contract pursuant to Request for Proposals No. 210016017, (the "Request for Proposals"), for External Auditing Services and Ordinance No. 2022-\_\_\_\_, adopted \_\_\_\_\_, 2022.


**THEREFORE**, in consideration of the Recital set forth above and good and valuable consideration as set forth below, the parties agree as follows:

1. **Scope of Contract.** The Contractor shall provide the goods and services to the City as set forth in the Contract Documents enumerated in Section 3 below.
2. **Contract Amount.** The maximum authorized contract amount for this Contract is Eight Hundred Seventy-Seven Thousand Two Hundred Fifty and NO/100 U. S. dollars (\$877,250.00). The aggregate of all payments by the City under this Contract shall not exceed this amount. All payments shall be as provided in the Contract Documents.
3. **Contract Documents.** This Contract shall consist of the following Contract Documents, listed in order of precedence from highest to lowest:
  - A. This Goods and Services Contract between the City and the Contractor.
  - B. Special Terms and Conditions attached to the Request for Proposals, as modified by Addendum No. 1, dated November 16, 2021.
  - C. The General Terms and Conditions attached to the Request for Proposals.
  - D. The Statement of Needs attached to the Request for Proposals.
  - E. The Contractor's Binding Engagement Fees dated February 7, 2022.
  - F. The Contractor's proposal dated December 16, 2021.
  - G. The Instructions to Offerors attached to the Request for Proposals, as modified by Addendum No. 1, dated November 16, 2021.

All of these documents are incorporated herein by reference.

**IN WITNESS WHEREOF**, the parties hereto on the latest day and year written below have executed this Contract.

**For the CONTRACTOR:**


By:  2-18-2022  
(signature in ink) Date  
Gregory J. Bussink, III  
(typed name)  
Principal  
(typed title)

**IF A CORPORATION, AFFIX CORPORATE SEAL**

**For the CITY:**

By: Betty J. Burrell Date \_\_\_\_\_  
Director of Procurement Services

**APPROVED AS TO FORM:**

  
Assistant City Attorney

2/22/2022  
Date



## ADDENDUM NO. 1

DATE OF ADDENDUM: November 16, 2021  
REQUEST FOR PROPOSALS: 210016017 External Auditing Services  
DATED: November 9, 2021  
RECEIPT DATE: December 16, 2021 @ 3:00 p.m. EST  
SUBJECT: New *Part II: Instructions to Offerors* and *Part IV: Special Terms and Conditions* for Request for Proposals No. 210016017

Ladies/Gentlemen:

Please take note of the following modifications to Request for Proposals No. 210016017:

1. The *Part II: Instructions to Offerors* of Request for Proposals No. 210016017 is hereby replaced with the document attached hereto as Exhibit A.
2. The *Part IV: Special Terms and Conditions* attached hereto as Exhibit B is hereby incorporated into Request for Proposals No. 210016017.

All Offerors must take due notice and be governed accordingly. This addendum must be acknowledged or your proposal may not be considered.

Sincerely,

*Lesley R. Brown*

Lesley R. Brown, VCA, VCO  
MBA, Global Management  
Contracting Officer

Respectfully Submitted:

---

Company

BY: \_\_\_\_\_

PRINT

---

Signature

---

Title

Date

## **EXHIBIT B**

### **PART IV** **SPECIAL TERMS AND CONDITIONS**

1. Part III (“General Terms and Conditions”), Section 2.11.1 (“Work Product”) of the Request for Proposals is hereby deleted in its entirety and replaced with the following:

2.11.1 **Work Product.** Except as and only to the extent required under the professional standards applicable to the accounting profession, any material, report, or product, whether in electronic or paper form, that results from the execution of this Contract shall be the sole property of the City. The Contractor shall not copyright any material or reports. Upon request, the Contractor shall turn over all work papers and related documents to the City as provided in the Contract Documents.

2. **Cooperative Procurement.**

- A. Pursuant to City Code § 21-40 / Va. Code § 2.2-4304, this procurement is being conducted on behalf of other public bodies as well as the City. Other public bodies must make their own legal determinations as to whether use of this Contract is consistent with their laws, regulations and other policies.
- B. Unless the Contractor took exception to the requirements of this section at the time the Contractor submitted its response to the solicitation resulting in this Contract, the Contractor shall allow public bodies, as defined by the Virginia Public Procurement Act, within the United States of America to make purchases under this Contract at the prices set forth herein and in accordance with the terms, conditions and specifications of this Contract. Exception to this requirement by a respondent to the solicitation shall not affect any evaluation by the City of that respondent’s response to the solicitation.
- C. The Contractor shall deal directly with any public body that elects to use this Contract. Solely for purposes of the relationship between the Contractor and such other public body that makes purchases under this Contract, such other public body shall have the rights and obligations ascribed to the City by this Contract.
- D. The City, its officers and its employees shall not be responsible for the placement of orders, invoicing, payments, contractual disputes or any other transactions between the Contractor and any other public body. In no event shall the City, its officers or its employees be responsible for any costs, damages or injuries resulting to any party from the use of the resulting contract by another public body. Should another public body make purchases under the resulting contract and breach or default in its obligations to the Contractor, the City shall have no liability for such breach or default by the other public body.

- E. The City assumes no responsibility for any notification of the availability of this Contract for use by other public bodies. However, the Contractor may conduct such notification after award of this Contract.
- F. The Contractor shall furnish the City with semiannual reports identifying all other public bodies which used this Contract within the six months preceding the report, the quantities purchased from the Contractor by each, and the dollar amounts paid to the Contractor by each.

**END OF SPECIAL TERMS AND CONDITIONS**



### **PART III**

## **GENERAL TERMS AND CONDITIONS**

- 1.0 **Duration of Contract.**
- 1.1 **Commencement and Expiration.** This Contract shall commence on the Commencement Date set forth in the Goods and Services Contract and shall expire three (3) years later, unless terminated earlier in accordance with the provisions of this Contract.
- 1.2 **Extension of Contract.** The City reserves the right to extend the Contract for any reason for a period or periods up to but not to exceed 12 months. This extension clause may be exercised when the City determines that an extension of the Contract is advantageous to the City. Any extension beyond 12 months will be subject to section 1.3 ("Renewal"). This provision in no way affects or alters the ability of the City to renew the Contract consistent with section 1.3 ("Renewal"). If it is then decided to renew the Contract, the renewal date will commence on the day following the last day of the contract extension.
- 1.3 **Renewal.** The City may, at its sole option, renew this Contract for up to two (2) one (1)-year renewal terms by furnishing the Contractor with written notice of its decision to renew the Contract at least 60 calendar days before the expiration of the preceding term.
- 2.0 **Contractor Responsibilities.**
- 2.1 **Independent Contractor.** The Contractor shall provide the services required under this Contract as an independent contractor.
- 2.2 **Advertising.** The Contractor shall not use any indication of its services to the City for commercial or advertising purposes. However, the Contractor may list the City as a reference account for prospective customers.
- 2.3 **Anti-Kickback Provision.** The Contractor warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Contractor to solicit or secure this Contract and that it has not paid or agreed to pay any company or person other than a bona fide employee working solely for the Contractor any fee, commission, percentage, brokerage fee, gifts or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the City shall have the right to annul or void this Contract without liability or, in its sole discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.
- 2.4 **Century Compliance.** The Contractor warrants that the hardware, software and firmware products, provided for use by the City or used by the Contractor to provide

any service or commodity that is the subject of this Contract, individually and in combination, shall successfully process, store and perform calculations with dates regardless of the century in which the dates occur.

- 2.5 **Compliance with Laws.** The Contractor shall comply with the provisions of any statutes, ordinances, rules, regulations, or other laws enacted or otherwise made effective by any local, state, or federal governmental entity which may be applicable to the performance of this Contract and shall obtain all necessary licenses and permits thereunder.
- 2.6 **Contractor Misrepresentation.**
  - 2.6.1 **In General.** If the Contractor knowingly makes a material misrepresentation in submitting information to the City, such misrepresentation will be sufficient grounds for rescinding the award of this Contract.
  - 2.6.2 **MBE/ESB Participation.** By issuing the Request for Proposals, the City intends that MBE / ESB participation proposed as part of any proposal in response hereto be binding on the Contractor. Consequently, if the Contractor falsely representing proposed MBE/ESB participation, or failing to comply with proposed participation, may be in breach of contract. Upon determination of a breach, the City shall have all available remedies for breach of contract, which may include, but is not limited to, one or more of the following: (i) forfeiture, (ii) investigation, and (iii) debarment.
- 2.7 **Drug-Free Workplace.**
  - 2.7.1 **Policy.** City Council Resolution No. 2000-R197-191 prohibits the City from contracting with any contractor that fails to comply with this policy. The Contractor certifies that it has taken and will continue to take appropriate and effective action to (i) educate its employees about the dangers of drug abuse in the workplace, (ii) provide its employees with effective drug counseling, rehabilitation and employee assistance programs, any or all, (iii) discipline employees who violate the requirement of a drug-free workplace, and (iv) minimize, to the greatest extent possible, the risks of drugs entering the workplace. The Contractor is also prohibited from contracting with any other party that fails to comply with this policy. Failure by the Contractor or its subcontractor to comply with the provisions outlined above will be cause for termination of the Contract.
  - 2.7.2 **Contractor's Plan.** The Contractor shall implement and maintain a Drug-Free Workplace Plan specific to the services and work covered by this Contract that is implemented and effectively used throughout the duration of this Contract to accomplish the requirements of section 2.7.1 ("Policy") above.
- 2.8 **Human Rights.**

- 2.8.1 **Civil Rights Act Compliance.** During the performance of this Contract, the Contractor agrees, pursuant to Resolution No. 74-R8-11 adopted February 25, 1974 by the Council of the City of Richmond, to comply fully with Titles VI and VII of the Civil Rights Act of 1964, as amended, and all regulations promulgated thereunder.

The essence of this requirement is found in the United States Code Annotated, Title 42, Section 2000e-2, which states in part:

- “a. It shall be an unlawful employment practice for an employer:
- (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual’s race, color, religion, sex, or national origin; or
  - (2) to limit, segregate, or classify his employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual’s race, color, religion, sex or national origin.”

By entering into this Contract, the Contractor certifies that it has complied with Titles VI and VII of the Civil Rights Act of 1964, as amended.

- 2.8.2 **Richmond City Code Compliance.** Pursuant to section 21-70 of the Code of the City of Richmond (2004), as amended:

- (a) During the performance of this Contract, the Contractor agrees as follows:
- (1) The Contractor 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 there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  - (2) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, shall state that such Contractor is an equal opportunity employer.

- (3) 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.
- (b) During the performance of this Contract, the Contractor shall include the provisions of subsection (1) of the section in every subcontract or purchase order of over \$10,000.00, so that the provisions will be binding upon each subcontractor or vendor.
- 2.9 **Intellectual Property.** The Contractor represents and warrants that all goods and services that it will furnish under this Contract do not and will not infringe on any valid copyright, patent, service mark or trademark. The Contractor shall pay all royalties and license fees which may be due on the inclusion of any patented or copyrighted materials, methods or systems selected by the Contractor or used by the Contractor in the performance of its services. The Contractor shall defend, hold harmless and indemnify the City from all suits or claims for infringement of any patent rights or copyrights arising out of such selection.
- 2.10 **Personnel.** The Contractor shall not replace a person indicated in the Contractor's proposal as being assigned to perform services under this Contract for the City except in accordance with the provisions of this section. If the Contractor wishes to replace such a person, the Contractor shall provide the contract administrator of the City with a résumé of any proposed substitute, the opportunity to interview the proposed substitute and an explanation of the reason the substitution is necessary. The contract administrator of the City will only approve such a substitution when, in their opinion, the proposed substitute has equal or greater qualifications and experience than the person replaced.
- 2.11 **Property of Work.**
  - 2.11.1 **Work Product.** Any material, report or product, whether in electronic or paper form, that results from the execution of this Contract shall be the sole property of the City. The Contractor shall not copyright any material or reports. Upon request, the Contractor shall turn over all work papers and related documents to the City.
  - 2.11.2 **City Property.** Any data or material with which the City furnishes the Contractor shall remain the property of the City. When it no longer needs such data or material for its performance of this Contract, the Contractor shall return such data or material to the City or destroy such data or material using a method approved by the City.
- 3.0 **Payment.**
  - 3.1 **Basis.** The City shall pay the Contractor for all goods delivered and services performed under this Contract in accordance with the pricing provisions set forth in the Contract Documents.

- 3.2 **Schedule.** The Contractor shall invoice the City on a schedule in accordance with the Contract Documents.
- 3.3 **Terms.** The City shall pay the Contractor as follows: Net 45 days.
- 3.4 **Subject-to-Appropriations.** All payments and other performance by the City under this Contract are subject to annual appropriations by the City Council; consequently, this Contract shall bind the City only to the extent that the City Council appropriates sufficient funds for the City to perform its obligations hereunder.
- 3.5 **When City Obligated to Pay.** The City shall not be obligated to purchase or pay for any goods or services covered by this Contract unless and until they are ordered and either delivered or performed, as the case may be.
- 3.6 **Offset Clause.** Pursuant to the Richmond City Charter, the City may withhold the payment of any claim or demand by any person, firm or corporation against the City until any delinquent indebtedness or other liability due the City from such person, firm or corporation shall first have been settled and adjusted.
- 3.7 **Taxes.** All prices shall be submitted exclusive of direct Federal, State and Local Taxes. The City shall not be liable for the payment of any taxes levied by any local, state, or federal governmental entity against the Contractor, and the Contractor shall pay all such taxes; furthermore, should the City nevertheless pay any such taxes, the Contractor shall reimburse the City therefor.
- 3.8 **Invoices.** The Contractor shall submit invoices that include a unique invoice number, the applicable City purchase order number, and the Contractor's federal Taxpayer Identification Number. All invoices submitted by the Contractor must set forth each item billed in sufficient detail to enable the City to ensure that the item was ordered and corresponds with the contract price for such item. If the Contractor does not include all of the required information on the invoice, the City may reject and return the invoice unpaid. The Contractor shall submit the original invoice to the City's Department of Finance at either:

[accountspayable@richmondgov.com](mailto:accountspayable@richmondgov.com)

or

City of Richmond  
Accounts Payable  
900 East Broad Street  
Richmond, VA 23219.

The City prefers that the original invoice be sent to the above electronic mail address to facilitate timely payment. The Contractor shall submit a duplicate invoice to the attention of the "Requester" identified on the purchase order at the "Ship To" address identified on the purchase order.

- 3.9 **MBE/ESB Participation—Reporting Requirement.** In cases where the Contractor uses a minority subcontractor or vendor, it shall indicate the percentage of the invoiced amount that such minority subcontractor or vendor performed on the MBE-3 form available on the City's website. The Contractor shall submit this form directly to the Office of Minority Business Development. The Contractor may contact the City's Office of Minority Business Development at (804) 646-3985 for questions or clarifications on the reporting policy. At the end of its performance of this Contract, the Contractor shall submit a summary in a format designated by the City of all payments made to minority subcontractors or contractors.
- 3.10 **Payment by ACH.** The Contractor agrees that the City may make all payments to the Contractor, at the option of the City, of any or all amounts due under this Contract through the Automated Clearing House network.
- 4.0 **Indemnification and Insurance.**
- 4.1 **Indemnification.** The Contractor shall indemnify, defend and hold harmless the City, its officers, agents and employees from and against any and all losses, liabilities, claims, damages and expenses (including court costs and reasonable attorneys' fees) arising from any material default or breach by the Contractor of its obligations specified in this Contract, as well as all claims arising from errors, omissions, negligent acts or intentional acts of the Contractor, its officers, agents and employees. Further, the Contractor shall assume the entire responsibility and liability for any and all damages to persons or property caused by or resulting from or arising out of any act or omission on the part of the Contractor, its subcontractors, its agents or its employees under or in connection with this Contract. The Contractor shall hold harmless and indemnify the City, and its agents, volunteers, servants, employees, and officers from and against any and all claims, losses or expenses, including but not limited to court costs and attorneys' fees, which any of them may suffer, pay or incur as the result of claims or suits due to, arising out of or in connection with any and all such damage, real or alleged. The Contractor shall, upon written demand by the City, assume and defend at the Contractor's sole expense any and all such claims or legal actions.
- 4.2 **Insurance.** The Contractor shall provide and maintain throughout the life of this Contract insurance in the kinds and amounts specified in this section with an insurer licensed to transact insurance business in the Commonwealth of Virginia. Each insurance policy, endorsement and certificate of insurance shall be signed by duly authorized representatives of such insurers and shall be countersigned by duly authorized local agents of such insurers.
- 4.2.1 **Costs and Premiums.** The Contractor shall pay all premiums and other costs of such insurance. The consideration paid or to be paid to the Contractor for the performance of the Contract includes the premiums and other costs of such insurance, and neither the City shall be responsible therefor.

4.2.2 **Policy Requirements.** All insurance contracts and policies shall provide, or be endorsed to provide, as follows:

- (i) Subrogation against the City shall be waived.
- (ii) The City, and its officers, employees, agents and volunteers shall be listed as an additional insured, except for Workers Compensation and Professional Liability.
- (iii) Coverage will not be canceled, non-renewed or materially modified in a way adverse to the City without 30 days' written notice to the City.
- (iv) The insolvency or bankruptcy of any of the insured shall not release the insurer from its obligation to satisfy claims otherwise within the coverage of such policies.

No insurance contract or policy shall be expanded to afford coverage which is greater than the maximum coverage approved for writing in the Commonwealth of Virginia.

4.2.3 **Evidence to Be Furnished.**

4.2.3.1 **Endorsements.** The Contractor shall furnish the City with a copy of the policy endorsement listing the City, and its officers, employees, agents and volunteers as an additional insured for each policy, other than Workers Compensation and Professional Liability, required under this section 4.2 ("Insurance"). The Contractor shall furnish the City with copies of such other endorsements as may be required under this Contract upon request by the City therefor.

4.2.3.2 **Certificates of Insurance.** The Contractor shall furnish the City with a certificate of insurance evidencing the above coverage, indicating that the City, and its officers, employees, agents and volunteers are listed as additional insured for each policy, other than Workers Compensation and Professional Liability, and that the coverage will not be canceled, non-renewed or materially modified in a way adverse to the City without 30 days' written notice to the City. All certificates of insurance shall show the Contract Number assigned to this Contract by the City.

4.2.3.3 **Contracts and Policies.** The Contractor is not required to furnish the City with copies of insurance contracts or policies required by this section 4.2 ("Insurance") unless requested at any time by the City's Director of Procurement Services.

4.2.4 **Schedule of Coverage.** The Contractor shall provide and maintain the following types of insurance in accordance with the requirements of this section 4.2 ("Insurance"):

- (i) Commercial General Liability Insurance with a combined limit of not less than \$1,000,000 per occurrence.
- (ii) Automobile Liability Insurance with a combined limit of not less than \$1,000,000 per occurrence.
- (iii) Statutory Workers' Compensation and Employers' Liability Insurance with the Alternate Employer Endorsement WC 000301.
- (iv) Either (a) for professional services, Professional Liability Insurance with limits of not less than \$1,000,000 per claim, or (b) for non-professional services, Errors and Omissions Insurance with limits of not less than \$1,000,000 per occurrence.

**5.0 Assignment, Delegation and Subcontracting.**

**5.1 By City.** The City may assign their rights or delegate their duties, in whole or in part, under this Contract by written notice delivered to the Contractor. Such transfer of rights or duties shall take effect upon the date specified in the notice or upon the assumption, if necessary, of the delegated duties by the assignee, whichever is later.

**5.2 By Contractor.** The Contractor shall not assign its rights or delegate its duties, or any part thereof, under this Contract without the prior written consent of the City. Further, the Contractor shall not assign, sublet or transfer its interest or any part thereof in this Contract by means or as part of any sale, merger, consolidation, assignment or any other event that would result in new or different ownership, control, operation or administration of the Contractor's business affairs without the prior written consent of the City.

**5.3 Subcontracting.** This Contract shall not be subcontracted without the prior written approval of the City's Director of Procurement Services.

**6.0 Remedies and Termination.**

**6.1 Default.** In case of default of the Contractor or if the Contractor fails to deliver the supplies or services ordered by the time specified, the City, after due notice in writing, may procure them from other sources and hold the Contractor responsible for any excess cost occasioned thereby. This remedy shall be in addition to any other remedies available to the City.

**6.2 Termination with Cause.**

**6.2.1 Notice.** The City may terminate this Contract with cause at any time for the Contractor's failure to perform its obligations under this Contract or to otherwise adhere to the terms and conditions of this Contract by delivery of written notice to the Contractor of the intent of the City to so terminate. Such notice shall be delivered at



least seven calendar days prior to the date of termination and shall otherwise be given in accordance with the requirements of this Contract for the delivery of notices.

6.2.2 **Cure.** If the Contractor cures the failure to perform or otherwise adhere to the terms and conditions of this Contract to the satisfaction of the City, indicated in writing to the Contractor, during this seven calendar day period, then the notice of termination with cause shall be deemed null and void.

6.2.3 **Effect.** Upon such termination, the City shall be liable only to the extent of costs which may be reimbursable under this Contract that have been submitted by the Contractor and approved by the City up to the time of termination and only upon delivery to the City of all completed or partially completed work performed by the Contractor. The City shall have full right to use such work in any manner when and where it may designate without claim on the part of the Contractor for additional compensation.

### 6.3 **Termination without Cause.**

6.3.1 **Notice.** The City may terminate this Contract without cause by delivery of written notice to the Contractor of the City's intent to so terminate. Such notice must be delivered at least 90 calendar days prior to the date of termination and must otherwise be given in accordance with the requirements of this Contract for the delivery of notices.

6.3.2 **Effect.** Upon such termination, the City shall be liable only to the extent of any (i) costs which may be reimbursable under this Contract that have been submitted by the Contractor and approved by the City up to the time of termination and (ii) fees to which the Contractor may be entitled under this Contract as a result and only upon delivery to the City of completed or partially completed work. The City shall have full right to use such work in any manner when and where it may designate without claim on the part of the Contractor for additional compensation. No termination notice will relieve the Contractor of the obligation to deliver or perform on all outstanding orders issued prior to the effective date of termination.

### 6.4 **Termination by Contractor.**

6.4.1 **Notice.** The Contractor may terminate this Contract if the City Council does not appropriate sufficient funds for the City to perform its obligations under this Contract by delivery of written notice to the City of the Contractor's intent to so terminate. Such notice shall be delivered at least 45 calendar days prior to the date of termination and shall otherwise be given in accordance with the requirements of this Contract for the delivery of notices.

6.4.2 **Cure.** If the City cures the non-appropriation of funds by appropriating sufficient funds during this 45 calendar day period, then the Contractor's notice of termination shall be deemed null and void.

- 6.4.3 **Effect.** Upon such termination, the Contractor shall have no further obligations under this Contract.
- 6.5 **Waiver.** The waiver by any party of any term or condition of this Contract shall not be deemed to constitute either a continuing waiver thereof or a waiver of any further or additional right that such party may hold under this Contract.
- 7.0 **Dispute Resolution.**
- 7.1 **Governing Law.** All issues and questions concerning the construction, enforcement, interpretation and validity of this Contract, or the rights and obligations of the City and the Contractor in connection with this Contract, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia.
- 7.2 **Construction and Interpretation.** Each of the parties has had the opportunity to have its legal counsel review this Contract on its behalf. If an ambiguity or question of intent arises with respect to any provision of this Contract, this Contract will be construed as if drafted jointly by the parties. Neither the form of this Contract, nor any language herein, shall be construed or interpreted in favor of or against any party hereto as the sole drafter thereof.
- 7.3 **Contractual Claims.**
- 7.3.1 **Notice and Submission.** The Contractor shall give written notice of its intention to file a contractual claim at the time of the occurrence or the beginning of the work upon which the claim is based. In addition to such notice of its intention to file a claim, the Contractor shall submit all contractual claims, whether for money or other relief, in writing to the City's Director of Procurement Services no later than 60 calendar days after final payment. (*See City Code § 21-167(a); see also Va. Code § 2.2-4363(A).*)
- 7.3.2 **Required Contents of Claim Submission.** The Contractor's claim submission shall (i) set forth the primary, secondary and indirect claim issues in a clear, concise manner, (ii) identify the specific contract provisions, schedule impact and cost consequences related to each claim issue, and (iii) include all factual data supporting the claim as well as all supporting cost and delay data. The City's Director of Procurement Services, in the Director's sole discretion, may return claim submissions lacking any of the elements enumerated in the preceding sentence for resubmission or review the claim as though the missing elements are not factually present to support the claim. Such return of a claim submission shall not toll the 60-day period within which the Contractor must submit a claim.

- 7.3.3 **Procedures and Time Limit.** The procedures set forth in this section 7.3 (“Contractual Claims”) and in City Code § 21-167 shall govern the consideration of contractual claims. The City’s Director of Procurement Services shall issue a written decision on a claim no later than 90 calendar days after receipt of such claim in writing from the Contractor. (*See* City Code § 21-167(b); *see also* Va. Code § 2.2-4363(B).)
- 7.3.4 **No Action before Decision.** The Contractor may not invoke administrative procedures as provided in City Code § 21-168 or institute legal action as provided in City Code § 21-169 prior to receipt of the decision on the claim, unless the City’s Director of Procurement Services fails to render such decision within the 90-day time limit. A failure of the City’s Director of Procurement Services to render a final decision within the 90-day time limit shall be deemed a final decision by the City denying the claim. (*See* City Code § 21-167(c); *see also* Va. Code § 2.2-4363(D).)
- 7.3.5 **Finality of Decision.** The decision of the City’s Director of Procurement Services shall be final and conclusive unless the Contractor appeals within 30 calendar days of the date of the final decision on the claim by the Director either as provided in City Code § 21-168 for administrative appeals or, in the alternative, by instituting legal action as provided in City Code § 21-167. (*See* City Code § 21-167(d); *see also* Va. Code § 2.2-4363(E).)
- 7.3.6 **No Cessation of Performance.** Nothing in this section 7.3 (“Contractual Claims”) shall be construed to authorize or permit the Contractor, while pursuing, by any available procedure, an appeal of a contractual claim or dispute, to cease performance of the Contract while such claim or dispute is pending. (*See* City Code § 21-167(e).)
- 7.4 **Alternative Dispute Resolution.** The City’s Director of Procurement Services, with the concurrence of the City Attorney, may agree in writing on behalf of the City to submit particular disputes arising from this Contract to arbitration and to utilize mediation and other alternative dispute resolution procedures; however, any such procedures entered into by the City shall be nonbinding. (*See* City Code § 21-170; *see also* Va. Code § 2.2-4366.)
- 7.5 **Forum and Venue Choice.** Any and all disputes, claims and causes of action arising out of or in connection with this Contract, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in a federal or state court located in the city of Richmond, Virginia. The Contractor accepts the personal jurisdiction of any court in which an action is brought pursuant to this article for purposes of that action and waives all jurisdiction- and venue-related defenses to the maintenance of such action.
- 8.0 **Miscellaneous Provisions.**

- 8.1 **Audit.** The City reserves the right to audit all aspects of this Contract, including but not necessarily limited to (i) the Contractor's financial capability and accounting system, (ii) the basis for progress payments, (iii) the Contractor's compliance with applicable laws and (iv) appropriate vendor records. The City further reserves the right to review, on demand and without notice, all files of the Contractor or any subcontractor or vendor employed by the Contractor to provide services or commodities under this Contract where payments by the City are based on records of time, salaries, materials or actual expenses. The Contractor shall maintain all records subject to audit under this provision locally or in a manner deliverable at the Contractor's expense to a location in the metropolitan Richmond area.
- 8.2 **Captions.** This Contract includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles shall not affect the construal, interpretation or meaning of this Contract.
- 8.3 **Force Majeure.** If any party is unable to perform its obligations under this Contract due to acts of God or circumstances beyond its reasonable control, such obligations shall be suspended as long as those circumstances persist, provided that the delaying party promptly notifies the other party of the delay and the causes. Except where the delay is caused by an act or omission of the delaying party, any costs arising from such delay shall be borne by the party incurring the delay.
- 8.4 **Merger / Entire Agreement.** This Contract, including the exhibits incorporated herein, constitutes both a complete and exclusive statement and the final written expression of all the terms of this Contract and of the entire understanding between the City and the Contractor regarding those terms. No prior written agreements or contemporaneous or prior oral agreements between the City and the Contractor regarding this Contract's subject matter shall be of any effect.
- 8.5 **Modification.** This Contract shall not be amended, modified, supplemented, or otherwise changed except in the form of a City Contract Modification signed by the authorized representatives of the City and the Contractor in accordance with the City's Purchasing Policies and Procedures.
- 8.6 **No Third-Party Beneficiaries.** Notwithstanding any other provision of this Contract, the City and the Contractor hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Contract; (ii) the provisions of this Contract are not intended to be for the benefit of any individual or entity other than the City or the Contractor; (iii) no individual or entity shall obtain any right to make any claim against the City or the Contractor under the provisions of this Contract; and (iv) no provision of this Contract shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, sub-vendors, assignees, licensors and sub-licensors, regardless of whether such individual or entity is named in this Contract.

**8.7 Notices.**

**8.7.1 In General.** Any written notice by any party to the Contract shall be sufficiently given by any one or combination of the following, whichever shall first occur: (i) delivered by hand to the last known business address of the person to whom the notice is due, (ii) delivered by hand to the person's authorized agent, representative or officer wherever they may be found or (iii) enclosed in a postage prepaid envelope addressed to such last known business address and delivered to a United States Postal Service official or mailbox. Notice is effective upon such delivery.

**8.7.2 Address.** All notices to the City shall clearly indicate the Contract Number assigned to this Contract by the City and shall be directed to:

Director of Procurement Services  
Department of Procurement Services  
City of Richmond  
900 East Broad Street, Room 1104  
Richmond, Virginia 23219

All notices to the Contractor shall be directed to the contact person stated at the address given in the Contractor's proposal.

**END OF GENERAL TERMS AND CONDITIONS**

## **PART I**

### **STATEMENT OF NEEDS**

#### **1.0 Introduction.**

**1.1 Purpose.** The City of Richmond, Virginia (the “City”) is seeking proposals through competitive negotiation to establish a contract for accounting services to provide an annual audit of the City as required by the City’s charter and the Code of Virginia.

**1.2 Background.** The City is a municipal corporation and political subdivision of the Commonwealth of Virginia governed by the Charter of the City of Richmond, the Code of Virginia, and the Code of the City of Richmond.

A nine-member City Council serves as the City’s governing body and adopts local laws and the annual budget. The City Council appoints the City Auditor, who leads the City’s internal audit agency, the Office of the City Auditor. The City Council also appoints a seven-member Audit Committee, which makes recommendations to the Council concerning the selection and termination of external auditors.

A popularly elected Mayor appoints a Chief Administrative Officer, who appoints the heads of administrative agencies. These agency heads include the Director of Finance, who leads the agency responsible for preparing the City’s financial statements, the Department of Finance. The Director of Finance reports to the Chief Administrative Officer through a Deputy Chief Administrative Officer for Finance and Administration.

The City government performs a variety of functions, including general government administration, public safety, public utilities, public works, planning, community development, economic development, and human services. The school division is a separate legal entity governed by the School Board of the City of Richmond, and several authorities and constitutional officers, including the Sheriff of the City of Richmond, perform additional functions.

The City’s financial statements are prepared in conformity with United States generally accepted accounting principles as applicable to governmental units. These financial statements include the financial results of the City and its component units. The City has two types of component units: blended and discrete.

The financial data from blended component units is combined with that of the City itself and reported in the appropriate fund type. These include the Richmond Retirement System, reported as a Fiduciary Pension Trust Fund, and the Advantage Richmond Corporation, a separate legal entity reported as an Internal Service Fund.

Discretely presented component units are separate legal entities that operate independently of the City government and are reported in a separate column in the government-wide financial statements. These include the School Board of the City of Richmond, the Economic Development Authority of the City of Richmond, the Richmond Ambulance Authority, the

Richmond Behavioral Health Authority, and the Richmond Redevelopment and Housing Authority. Separate Annual Comprehensive Financial Reports are issued by other independent auditors for the discretely presented component units, and auditing services for those discretely presented component units are not part of the scope of this Request for Proposals unless a discretely presented component unit chooses to make purchases off of the resulting contract pursuant to Part IV (the “Special Terms and Conditions”) of this Contract.

The major funds reported by the City and are included in the current audit of the City’s financial statements are Governmental Funds (General Fund, Debt Service, Capital Projects, Special Revenue and Permanent Funds), Proprietary Funds (Gas, Water, Wastewater and Stormwater), and Fiduciary Funds (Trust & Agency Funds).

Other funds reported and included in the City’s annual audit are Non-major Proprietary Funds (Parking Enterprise and Cemeteries) and Internal Service Funds (Fleet Management, Radio Services, Advantage Richmond Corporation, Electric Utility, Risk Management, Information Technology, Health Self Insurance, and Stores / Warehouse Operations).

For purposes of the performance of the Single Audit in accordance with applicable federal requirements, the City currently has 10 major programs. At present, the City does not anticipate a reduction in the number of major programs.

- 1.3 **Pre-Proposal Meeting Conference Call:** There will be a pre-proposal meeting conference call at 11:00 A.M on Tuesday, November 23, 2021. Any potential Offeror may participate in the meeting. Due to conference call-line participant capacity limitations, the City requests that potential Offerors try to limit the number of representatives that dial in separately if possible. The conference call number is listed below:

Toll Free Number: (804) 316-9457

Phone Conference ID: 5342981#

- 1.4 **Applicable Law.**

- 1.4.1 **Section 8.10 of the Charter of the City of Richmond** provides as follows:

The Council shall cause to be made annually an independent financial audit of all accounts, books, records and financial transactions of the City by the auditor of public accounts of the Commonwealth or by a firm of independent certified public accountants to be selected by the Council. The audit shall be of sufficient scope to express an opinion as to whether the books and records and the financial statements prepared therefrom as contained in the annual financial report of the City present fairly the fiscal affairs of the City in accordance with generally accepted accounting principles of municipal accounting and applicable governing laws. The report of such audit shall be filed within such time as the Council shall specify and one copy thereof shall be always available for public inspection in the office of

the City Clerk during regular business hours.

- 1.4.2 **Section 15.2-2511 of the Code of Virginia** requires all localities to have “all of their accounts and records, including all accounts and records of their constitutional officers, audited annually as of June 30 by an independent certified public accountant in accordance with the specifications furnished by the Auditor of Public Accounts.” This section also requires the certified public accountant to present a detailed written report to the City Council at a public session by the following December 31. The written report is to be preserved by the City Clerk and open to public inspection at all times by any qualified voter. Information describing the City of Richmond, Virginia, the funds and activities to be audited, and the financial statements of the City can be obtained by reviewing the City of Richmond Annual Comprehensive Financial Report. The City’s most recent Annual Comprehensive Financial Report is available at the City’s website: <http://www.rva.gov/finance/reports>.
  - 1.4.3 **Section 15.2-2510(A) of the Code of Virginia** requires the Director of Finance to “file annually on or before December 15 with the Auditor of Public Accounts a detailed statement prepared according to the Auditor’s specifications showing the amount of revenues, expenditures and fund balances of the locality for the preceding fiscal year, accompanied by the [City’s] audited financial report.”
  - 1.4.4 **Sheriff.** Article VII, section 4 of the Constitution of Virginia establishes that the Sheriff is an elected constitutional officer. As a constitutional officer, the Sheriff is a separate legal entity from the City with jurisdiction in the city of Richmond. The Sheriff employs almost 500 sworn and civilian employees who administer the City Jail, provide security for courthouses and perform other functions in accordance with state law. Funding for the Sheriff is provided by the City, the Commonwealth of Virginia, and other grant sources.
- 2.0 **Requirements and Deliverables.**
- 2.1 **General Requirements.**
- 2.1.1 **Qualifications.** The Contractor shall meet, at the time of their proposal submittal and throughout the duration of the Contract, all of the following minimum qualifications:
    - A. The Contractor must be licensed to practice in Virginia as a Certified Public Accountant firm.
    - B. The Contractor must be a member of the American Institute of Certified Public Accountants (AICPA) and must adhere to the AICPA professional standards of audit practices and conduct.
    - C. The manager or supervisor assigned to perform the audit meeting the requirements of this Contract shall have at least two years of experience managing audits of similar governmental units. The Contractor’s staff must have assisted other governmental units in obtaining or retaining its Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.



- D. The Contractor must demonstrate the capability to aid the City in ensuring that financial statements issued are in conformity with generally accepted accounting principles for local governments as determined by the governmental accounting and financial reporting standards issued by the Governmental Accounting Standards Board.

#### **2.1.2 Periods to Be Audited.**

- A. The Contractor shall provide the services required under this Contract for at least three Engagement Periods without the need for the City to be subject to any client acceptance or reacceptance policy or procedure. The first Engagement Period shall begin on the Commencement Date set forth in the Goods and Services Contract and shall end on March 31<sup>st</sup> of the following Fiscal Year. Thereafter, an “Engagement Period” shall begin on April 1 of a given Fiscal Year and end on March 31 of the following Fiscal Year unless otherwise specified herein.
- B. The City’s fiscal year begins on July 1 and ends on the following June 30. The Contractor shall perform the auditing services required by this Contract for each of the following fiscal years:
  - 1. Fiscal Year 2022 – July 1, 2021, through June 30, 2022.
  - 2. Fiscal Year 2023 – July 1, 2022, through June 30, 2023.
  - 3. Fiscal Year 2024 – July 1, 2023, through June 30, 2024.

The City, with the agreement of the Contractor, may renew the Contract in accordance with Part III (“General Terms and Conditions”), section 1.3 (“Renewal”) of this Request for Proposals for up to two additional one-year terms. Each such renewal would correspond to an additional Engagement Period. All terms and conditions of this Contract will apply to any exercised renewal option. The fiscal years covered by these renewal options would be as follows:

- 4. First renewal: Fiscal Year 2025 – July 1, 2024, through June 30, 2025.
- 5. Second renewal: Fiscal Year 2026 – July 1, 2025, through June 30, 2026.

#### **2.2 Deliverables.**

- 2.2.1 **Comprehensive Financial Report.** The financial statements of the City shall be audited in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns* issued by the Commonwealth of Virginia’s Auditor of Public Accounts. The audit will result in the rendering of the Contractor’s opinion on whether the financial statements prepared by management are fairly stated. If the Contractor’s opinion is other than unqualified, the Contractor shall furnish in writing to management at the time the

opinion is rendered, all reasons for qualifying the opinion, disclaiming the opinion, or rendering an adverse opinion. The report submitted by the Contractor must include an opinion on the supplementary information in relation to the basic financial statements taken as a whole and disclaimer statements related to the required supplementary information and the introduction and statistical sections included in the Annual Comprehensive Financial Report. The Contractor shall also perform additional procedures set forth in the applicable engagement letter regarding the supporting schedules of individual funds and discretely presented component units.

- 2.2.2 Internal Controls When Auditing Financial Statements.** The Contractor shall consider, test, and report on internal controls in accordance with auditing standards generally accepted in the United States of America, the *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities and Towns*. The Contractor shall prepare and deliver a detailed management letter of City issues with recommendations for improvement in internal controls, accounting systems, and procedures. The Contractor, upon completion of its examination and preparation of the necessary reports, shall submit a management letter of the findings on the system of internal control and related budgeting and operating procedures by the December 31 immediately following the end of the fiscal year the Contractor is auditing. The management letter shall also offer recommendations for improving administrative methods when considered by the Contractor to be appropriate and able to be documented within the scope of the audit. The Contractor shall issue this management letter under separate cover and present the management letter to both the Chief Administrative Officer and the Audit Committee.
- 2.2.3 Compliance Auditing When Auditing Financial Statements.** The Contractor shall perform tests and report on compliance with provisions of laws, regulations, contracts, grant agreements, and similar requirements in accordance with auditing standards generally accepted in the United States of America, the *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*.
- 2.2.4 Single Audit.** The Contractor shall perform procedures with respect to the City's major federal programs in accordance with provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, or any applicable federal requirement that replaces OMB Circular A-133. The Contractor shall disclose in its report, or in the Schedule of Findings and Questioned Costs, all instances of noncompliance with the specific requirements for major federal award programs. If the Contractor discloses matters of noncompliance in the Schedule of Findings and Questioned Costs, the Contractor shall reference the Schedule in the report on compliance. The Contractor shall include a communication of all reportable conditions, as defined by the AICPA's standards, affecting federal award programs in the report. The Contractor shall prepare appropriate sections of the Data Collection Form related to the audit of federal programs.
- 2.2.5 Auditor of Public Accounts Transmittal Forms.** The Auditor of Public Accounts of the Commonwealth of Virginia requires all localities to complete transmittal forms in accordance with the provisions of the *Uniform Financial Reporting Manual*. The City shall prepare the forms, and the Contractor shall render its opinion to the Auditor of Public Accounts of the Commonwealth of Virginia no later than November 30 following the end

of the fiscal year being audited. The Contractor shall perform agreed-upon procedures as set forth in the engagement letter for the applicable Engagement Period evaluating whether the transmittal forms for the City's Comparative Report of Local Government Revenue and Expenditure comply with the requirements of the *Uniform Financial Reporting Manual* issued by the Auditor of Public Accounts. The Contractor shall review the transmittal forms prior to their submission for accuracy and compliance with the Uniform Financial Reporting Manual as required by the Auditor of Public Accounts. The Contractor shall execute the accompanying transmittal letter.

- 2.2.6 **Sheriff's Internal Controls.** Section 2-7 ("Sheriff Office Internal Controls") of the Auditor of Public Accounts' Specifications for Audits of Counties, Cities, and Towns sets forth audit requirements for any funds received by the Sheriff. The Contractor, as the City's independent auditor, shall submit a letter to the Auditor of Public Accounts annually providing assurance as to whether for any funds received the Sheriff has maintained a proper system of internal controls and records in accordance with the Code of Virginia. The specific audit procedures relating to local and Commonwealth of Virginia funds for the Sheriff are included in the City's engagement letter for each Engagement Period. In addition, the Contractor will have separate reporting responsibilities to the Auditor of Public Accounts and the Sheriff.

2.3 **Engagement Requirements.**

- 2.3.1 **Compliance with Bond Covenants.** In addition to the requirements of Part III ("General Terms and Conditions"), section 2.5 ("Compliance with Laws") of this Request for Proposals, the Contractor shall comply with the provisions of any and all bond covenants which may pertain to the work required in the engagement.

- 2.3.2 **Engagement Letters.** Purchases of services off of this Contract shall be made by means of engagement letters in accordance with this section. Prior to the beginning of each Engagement Period, the Contractor shall submit to the City Auditor an engagement letter for review and execution. The engagement letter shall include a description of the general scope of the external auditing services to be provided for that Engagement Period and the fees for that Engagement Period's engagement. Each engagement letter shall refer to the Contract Number of this Contract and shall state that the engagement letter and all provisions in that engagement letter are governed by and limited by the provisions of this Contract. No engagement letter shall be construed or interpreted to modify the provisions of this Contract unless the City and the Contractor have executed a separate Contract Modification in accordance with Part III ("General Terms and Conditions"), section 8.5 ("Modification") making the modifications to the terms and conditions of this Contract.

- 2.3.3 **Meetings.** The Contractor shall be available to attend scheduled conferences, as requested, between the Contractor and the appropriate level of the City's management before the preliminary work and throughout fieldwork. The purpose of these meetings is to keep the City's management fully informed on the scope and progress of the audit. The City will give adequate advance notice when the City deems meetings necessary. The Contractor shall provide status reports of the audit at regularly scheduled status meetings with the City's management. The Contractor shall also provide regularly scheduled status updates

to the City Auditor and the Finance Director. The Contractor shall attend the quarterly Audit Committee meetings either remotely or in person. The Contractor shall confer with the City's management for the purpose of reviewing the Contractor's audit findings and recommendations prior to issuance of the reports and management letter. The Contractor shall also make its management personnel available to present the Annual Comprehensive Financial Report to the City Council and the Audit Committee at a regularly scheduled meeting and answer questions from members, if requested to do so.

- 2.3.4 Scheduling and Procedures.** Prior to the beginning of each audit, a separate audit planning conference between the City's management and the Contractor shall be scheduled around April or May of each contract year. At this conference, the Contractor and the City's management will develop a time schedule and administrative procedures, including any offsite or remote work, or both, to be observed for the engagement. The Contractor shall also provide the City's management with a list of items that the Contractor requires for test work. The timing of such deliverables from the City's management will be discussed at this conference. The procedures developed for the City's management pursuant to this section shall require a minimum of two weeks' notice to the City Attorney before information concerning litigation and assessments of outcomes of litigation required from the Office of the City Attorney must be provided to the Contractor.
- 2.3.5 Use of City Auditor Staff.** The Office of the City Auditor will provide 300 hours of staff assistance in completing selected audit tasks. The Contractor shall develop a work plan that utilizes the City Auditor's resources to the maximum extent that they are available. The Contractor and the City Auditor must agree on the extent and type of audit activities prior to commencement of such work. The Office of the City Auditor will coordinate its activities in upcoming fiscal years and will make its work papers available for review; provided that work papers of the Office of the City Auditor will remain the property of the City.
- 2.3.6 GFOA Submission.** The Contractor shall provide special assistance to the City in order for the City to meet the requirements of the Government Finance Officers' Association of the United States and Canada "Certificate of Achievement for Excellence in Financial Reporting." This special assistance may include but is not limited to (i) review of the disposition of the comments generated from the Government Finance Officers' Association review of the prior year's Annual Comprehensive Financial Report and (ii) review of the Annual Comprehensive Financial Report for compliance with the Government Finance Officers' Association's requirements for the Certificate of Achievement.
- 2.3.7 Assistance and Training.** The Contractor shall provide all of the following:
- A. Routine review and assistance of the financial statements and footnotes, Schedule of Expenditures of Federal Awards, Annual Comprehensive Financial Report, Government Finance Officers' Association Certificate Applications, attendance at audit-related City Council and Audit Committee meetings, and meetings with City officials and internal auditors as requested.
  - B. Routine hours of advice, assistance and consultation on financial accounting, reporting, and operational issues to the City each year free of charge during the

term of the Contract as provided in the contractor's proposal.

- C. Eight hours of certified Continuing Professional Education to all members of the accounting staff in the Department of Finance and the auditing staff in the Office of the City Auditor at a location within the corporate limits of the city of Richmond during each year of the term of the Contract.

#### **2.4 Timing of Deliverables.**

- A. The Contractor shall ensure the City's records are examined so that field work is completed no later than the October 15 immediately following the end of the fiscal year being audited and shall furnish its opinion on the Annual Comprehensive Financial Report no later than the October 31 immediately following the end of the fiscal year being audited.
- B. The Contractor shall complete the agreed-upon procedures for the Comparative Report Transmittal Forms and the management letter for distribution no later than the November 30 immediately following the end of the fiscal year being audited.
- C. If, during the course of any engagement under this Contract, the Contractor believes that any deliverable will not be provided by the deadline set forth in this Contract, the Contractor shall provide the City's management and the City Auditor with written notice explaining the reasons therefore no later than seven days before the deadline. No deadline may be modified such that the City fails to meet its obligations to the Commonwealth of Virginia or to the federal government, or both.

#### **2.5 Supplemental Payment Terms.**

- 2.5.1 **Invoices.** The Contractor shall invoice the City, and the City shall pay the Contractor, in accordance with Part III ("General Terms and Conditions"), Section 3.0 ("Payment") of the Request for Proposals. In addition, the Contractor shall ensure that each invoice details the fees for each deliverable and area of engagement, broken out as follows: (1) the Annual Comprehensive Financial Report, (2) the Single Audit, and (3) the audit of the Sheriff.
- 2.5.2 **Pricing.** The Contractor's unit prices shall remain firm for the first two years of the initial term of this Contract. The Contract period shall be from the date of award through March 31, 2025, to separately audit the three fiscal years ending June 30, 2022, 2023, and 2024. Any increase in fees after year two shall not exceed 3% or the Consumer Price Index for all Urban Consumers (CPI-U) average for the most recent 12 months available at the end of each fiscal year, whichever is the lesser. The unit prices for renewal terms, if any, shall be negotiated by the City and the Contractor as part of the contract modification for the applicable renewal term and the engagement letter for the applicable Engagement Period.
- 2.5.3 **Additional Work.** The City may request that the Contract be modified to add additional work or deliverables if the City's Director of Procurement Services determines that such additional work or deliverable is within the scope of this Contract. The Contractor must provide the City, including the Director of Procurement Services, with a detailed estimate

of all costs and fees for the additional work or deliverable. The Contractor shall not commence any work before the Director of Procurement Services signs the required contract modification to add the additional work or deliverable to the Contract and the appropriate City official has signed an engagement letter for the additional work or deliverable meeting the requirements of this Contract. The City shall not be liable for any costs or fees charged by the Contractor for work performed before the Director of Procurement Services has signed the contract modification and the appropriate City official has signed the engagement letter.

- 2.6 **Access to Work Papers and Other Records.** The Contractor shall make available to any representative of the City, upon demand and with notice reasonable under the circumstances, all work papers and other records in its possession concerning work performed under this Contract for the City. No charge shall be made for allowing the City's representatives to examine such work papers and other records. If the City desires copies of any such work papers and records, the City shall pay only the actual cost of the Contractor in making such copies or having such copies made. Any legal or managerial reviews associated with this production are specifically excluded from these actual costs. In the event work papers or other records are required to be made available to a party other than the City pursuant to a subpoena or other lawful order issued by a governmental body and such requirement is not made upon the demand of the City, then the City shall not be liable for any costs associated with the Contractor's provision of such work papers or other records pursuant to such subpoena or other order.

2.7 **Contractor's Personnel.**

- A. The Contractor's primary contact for the City will be one individual identified in the Contractor's proposal. This primary contact will be responsible for the supervision of all personnel assigned by the Contractor to perform services under this Contract. The Contractor shall change this primary contact only in accordance with subsection (C) of this section.
- B. The Contractor shall ensure that an appropriate number of qualified personnel are assigned at all times to perform the work required under this Contract such that the work will be completed by the deadlines set forth in this Contract.
- C. The Contractor recognizes that the City has awarded the Contractor this Contract based in part on the qualifications of the personnel the Contractor proposes in its proposal to assign to perform services pursuant to this Contract. Prior to making any change in personnel assigned to the contract resulting from this Request for Proposals who are identified in the Offeror's proposal, the Contractor shall provide the City Auditor with 30 days' advance, written notice. In providing such notice, the Contractor shall provide a current résumé for the Contractor's proposed replacement individual. The City Auditor reserves the right to review the qualifications and references of the replacement to ensure that the individual's experience and knowledge level will not degrade the level of service otherwise provided under this contract.

- D. In addition to the foregoing, the City may request rotating managers, partners, or supervisors, or any of them, during the initial term and any subsequent renewal of the Contract.

## **2.8 Report Preparation.**

### **2.8.1 Annual Comprehensive Financial Report.**

- A. The City is responsible for the preparation, editing, and printing of the City's Annual Comprehensive Financial Report.
- B. The Contractor shall furnish a final copy of the Contractor's report and recommendations to the City for inclusion in the Annual Comprehensive Financial Report.
- C. The Contractor shall present the Annual Comprehensive Financial Report to the City Council at a public session as required by section 15.2-2511 of the Code of Virginia.
- D. The City will send the Annual Comprehensive Financial Report to the Government Finance Officers' Association of the United States for review in its certificate of achievement program.
- E. The City is responsible for submitting copies of the Annual Comprehensive Financial Report to the State Auditor of Public Accounts.

### **2.8.2 Single Audit.**

- F. The City is responsible for the preparation, editing, and printing of the Single Audit as well as the upload to the federal clearinghouse.
- G. The Contractor shall furnish a final copy of the Contractor's report and recommendations to management of the City for inclusion in the Single Audit.

### **2.8.3 Transmittal Forms.** The City will submit one copy of the Comparative Report Transmittal Forms, including the Contractor's report, to the Auditor of Public Accounts.

## **2.9 Assistance to Contractor.**

- A. The City shall perform the following functions:
  - 1. Development of a schedule of tasks related to the audit with appropriate due dates and assignments of responsibilities to the City's staff for completion of these tasks.
  - 2. Closing the City's books and records for each fiscal year by September 15.
  - 3. Pulling of documents and preparation of work papers, schedules and

analyses of funds required for completion of the audit.

4. Drafting the financial statements and related disclosures for inclusion in the annual report of the City.
5. Drafting of introductory information, statistical tables, schedules and supplementary information for inclusion in the City report.
6. Typing of financial statements drafted by City staff, confirmation letters, representation letters, and miscellaneous correspondence.
7. Preparation of Schedule of Expenditure of Federal Award schedule and pulling of documents and preparation of work papers, schedules and analyses of funds required for completion of the audit.
8. Preparation of Comparative Report Transmittal forms as required by the Auditor of Public Accounts.

B. The Sheriff will perform the following functions:

1. Pulling of documents and preparation of work papers, schedules and analysis of funds required for the completion of the Auditor of Public Accounts audit.
2. Development of a schedule of audit tasks with the appropriate due dates and assignments of responsibilities for completion of tasks.
3. Making available all records and documents relevant to maintaining effective internal controls over compliance.

3.0 **Proposal Contents.** The proposal must include all of the information set forth in this section and be organized as set forth in this section. In addition to the original, the offeror shall submit seven (7) complete, bound paper copies of its proposal and electronic copies in both a portable document format readable by the Adobe Reader program and in a Microsoft Word format that can be searched and edited.

3.1 **Tab 1 – Signed Forms.** This tab should include the completed and signed Signature Sheet, Addenda Acknowledgement, State Corporation Commission Form, and Office of Minority Business Development Forms included with this Request for Proposals.

3.2 **Tab 2 – Executive Summary.** This tab must include (i) a brief transmittal letter no longer than one page and (ii) a brief summary, no longer than three pages, of the proposal's contents, emphasizing any unique aspects or strengths of the proposal

3.3 **Tab 3 - Offeror History.** This tab should provide a comprehensive narrative history of the offeror's organization, including the development of its experience in providing the



solicited services, the depth of its resources to provide those services, an explanation of the size of the organization, and the organization's number of years in business, office locations, and legal structure. This section of the proposal must contain the following organizational information and data for the offeror's organization:

A. If a corporation:

1. The state of incorporation;
2. The date of incorporation;
3. The principal place of business;
4. The Federal I. D. number;
5. Whether the corporation is a Subchapter S corporation.
6. The name, position, address, and number of years in position of each officer and director; and
7. The names of any affiliates, partner corporations, and subsidiaries.

B. If a limited liability company:

1. The state in which the limited liability company is organized;
2. The date organized;
3. A list of all managers of the limited liability company, including the name, telephone number, and years as a manager for each manager; and
4. A list of all members of the limited liability company, including the name, telephone number, years as a member, and membership interest for each member.

C. If a partnership:

1. The state in which the partnership was formed;
2. The date formed;
3. The type of partnership; and
4. A list of all general and limited partners, as applicable, including the name, telephone number, years as a partner, and partnership interest for each partner.

- D. If a joint venture:
1. Date of formation;
  2. Name and address of each joint venture partner;
  3. The name and address of the principals of each joint venture partner; and
  4. The percentage of interest of each joint venture partner.
- E. If the offeror is not a corporation, limited liability company, partnership, or joint venture, this tab must identify the type of business entity and provide any pertinent information.
- F. This tab should provide the offeror's total number of employees as well as the number of the offeror's employees who are located in Virginia.
- G. This tab must state whether the offeror has operated under another name within the past ten years and, if so, the other name, the number of years in business under this other name, and the State Corporation Commission identification number under this name.
- H. This tab must state whether the offeror is a subsidiary or affiliate of another organization and, if so, the name and address of each parent or affiliate organization.
- I. This tab must include the following statement, signed by the offeror's contractually binding authority:

By submitting its proposal, *{Insert Legal Name of Offeror}* (the "Offeror") certifies and represents that the information that the Offeror provides in response to this Request for Proposals is accurate and complete as of the date of such submission. If the Offeror provides no information in response to any of the requirements of this Request for Proposals, then the Offeror, by submitting its proposal, certifies and represents that such requirements do not apply because no information exists that would respond to the requirement. The Offeror further covenants that, during the time between the submission of its proposal and the City's announcement of its decision to award the Contract, the Offeror will furnish the City with any changes or additions to such information necessary to ensure that this information remains accurate, complete and up-to-date.

- 3.4 **Tab 4 – Qualifications.** This tab should explain in detail how the Contractor and its personnel meet the requirements of Section 2.1.1 ("Qualifications").

- 3.5 **Tab 5 – References.** This tab should include the names, addresses, telephone numbers, and electronic mail addresses of at least five other local governments (including Virginia local governments if possible) for which the offeror has performed contractual services similar to those solicited by this Request for Proposals. This tab also should identify the services performed for each reference offered. This tab must include an affirmative statement that the offeror grants its consent for the City to contact the offeror's references for the purpose of evaluating the offeror for this Contract and acknowledges that any information obtained from the offeror's references will not be disclosed to the offeror.
- 3.6 **Tab 6 – Litigation and Arbitration.** This tab must describe any arbitration proceedings or litigation in the last five years initiated by or against the offeror related to or arising out of any contracts for the provision of services similar to those solicited by this Request for Proposals by providing the following:
- A. Purchaser name, location, and description.
  - B. Commencement and end dates of contract.
  - C. Services performed.
  - D. Nature of dispute.
  - E. If a litigation matter, the following:
    - 1. The style of the case (e.g., *plaintiff v. defendant*) in such a way that the name of the plaintiff and the name of the defendant are stated clearly.
    - 2. The case number and name of the highest court in which the case was heard.
    - 3. The date of the final judgment in the case.
  - F. Outcome.
- 3.7 **Tab 7 – Personnel.** This tab should include an organizational chart and list of contacts (with phone numbers, e-mail addresses, departments, and titles) in all functional areas relevant to the performance of the services solicited by this Request for Proposals. Further, this tab should identify the specific employees whom the offeror will assign to be responsible for the provision of the services solicited by this Request for Proposals. For each such person identified by the offeror, this tab should include the following information in résumé format:
- A. Name and title.
  - B. Office location and city of residence.

- C. Responsibilities and roles with regard to services provided under the Contract.
  - D. Educational background.
  - E. Professional registrations and memberships (if applicable).
  - F. Years of relevant experience.
  - G. Percentage of time to be dedicated to the Contract.
- 3.8 **Tab 8– Subcontracting.** This tab should identify all services required by this Contract that the offeror intends to subcontract, if any, providing the following information:
- A. Reasons for subcontracting.
  - B. Proposed subcontractor responsibilities.
  - C. Identity of proposed subcontractors including location, relevant personnel and experience, previous use as a subcontractor, and any other relevant supporting information.
- 3.9 **Tab 9 – Approach to Providing Services.** This tab should describe in detail how the offeror proposes to meet each of the requirements and each of the deliverables described in Section 2.0 (“Requirements and Deliverables”). These descriptions should include proposed schedules, proposed offeror personnel to be assigned, and proposed commitments by City personnel needed by the Contractor to perform the required services. This tab should also describe any software the Contractor proposes to use to perform the required services.
- 3.10 **Cost and Pricing.**
- 3.10.1 **No Price Proposal.** Pursuant to City Code § 21-68(b) (see also Va. Code § 2.2-4302.2), this Request for Proposals does not request that offerors furnish estimates of man-hours or costs for services with the offeror’s proposal.
- 3.10.2 **Negotiation of Pricing Arrangements.**
- 3.10.3 **When Submitted.** In accordance with City Code § 21-68, Offerors selected for final contract negotiation and award through the qualification based evaluation process will be requested to submit their billing rate proposal according to the guidelines set forth in this section. The offeror shall not be required to and may not submit billing rates, estimates of man-hours or other information pertaining to cost of services until requested by the City in the final contract negotiation stage.
- 4.0 **Evaluation Criteria.** Proposals will be evaluated using the following evaluation criteria and weights to rank and select offerors for negotiation pursuant to this Request for Proposals:

	<u>Available Points</u>
A. Demonstrated ability to comprehensively perform all services detailed in the RFP.....	25 Pts.
B. Qualifications and Experience of Firm.....	20 Pts
C. Qualifications and Experience of Assigned Personnel.....	20 Pts.
D. Offeror's approach/methodology employed and proposed schedule for performing services indicating the ability to meet required deadlines.....	20 Pts.
E. Accessibility (City Code § 21-69).....	5 Pts.
F. MBE / ESB Commitment.....	10 Pts.
<p><b><u>Note:</u></b> An offeror must receive at least five points under the MBE / ESB Commitment criterion to be selected for negotiations unless granted a waiver by the Chief Administrative Officer. The MBE / ESB participation goal for this contract is 10%</p>	
<b>Total Available Evaluation Points.....</b>	<b>100 Pts.</b>

**END OF STATEMENT OF NEEDS**



**CliftonLarsonAllen LLP**

901 North Glebe Road

Suite 200

Arlington, VA 22203

**phone** 571-227-9500 **fax** 571-227-9552

**CLAAconnect.com**

February 7, 2022

Lesley R. Brown, Contracting Officer  
City of Richmond  
Department of Procurement Services  
900 East Broad Street  
11<sup>th</sup> Floor, Suite 1104  
Richmond, Virginia 23219

RE: Request for Proposals (RFP) for External Auditing Services – RFP Number: 210016017

Dear Ms. Brown:

Thank you for allowing us the opportunity to provide our binding fee estimate for External Auditing Services for the City of Richmond. We are excited about this opportunity to continue providing services to the City. Below is a summary of the services and the binding proposed fee. If you have any questions about our offerings, please do not hesitate to contact Greg Bussink at 301-902-8527 or [greg.bussink@CLAAconnect.com](mailto:greg.bussink@CLAAconnect.com).

### Professional fees

Our fees are based on the timely delivery of the services provided, and the experience of personnel assigned to the engagement. We propose our fees will not exceed the following for the years ending June 30, 2022 through 2026.

### Binding Engagement Fees Over Contract Period

Professional Services	2022	2023	2024	2025	2026
Financial Statement and Compliance Audit Services	\$290,000	\$290,000	\$297,250	\$304,700	\$312,300

These fees include all professional fees and expenses.

Our fees quoted above are for the fiscal years ending June 30 of each year and include increases of approximately 2.5% per year. Our pricing reflects an offset/reduction for assistance to be provided by your internal audit staff – 300 hours per year.

We will provide eight hours of certified Continuing Professional Education to members of the accounting staff in the Department of Finance and the auditing staff in the Office of the City Auditor.

We have found over the years that our clients don't like fee surprises. Neither do we. We commit to you, as we do all of our clients, that:

- We will be available for brief routine questions at no additional charge, a welcome investment in an on-going relationship.
- Any additional charges not discussed in this proposal will be mutually agreed upon up front, before any work is performed.
- We will always be candid and fair in our fee discussions, and we will avoid surprises.

## Fee Considerations

The fee proposal is based on the following:

- The City's personnel will provide assistance throughout audit fieldwork with regard to account analysis and provision of year-end account reconciliation work papers and schedules.
- The assurance reports will be delivered in accordance with the City's deadlines.
- Satisfactory completion of our firm's normal client acceptance procedures.
- Professional standards and regulations currently in effect. We reserve the right to modify your proposed fee if professional standards or regulations change for any engagement period.
- No significant changes in the operations of the City subsequent to the date of this proposal.

Our fees do not anticipate unusual or unforeseen circumstances. Before the scope of our work is changed for any unanticipated circumstances or events, we will inform you of the change and related change in fee.

CLA has a very open fee philosophy with our clients and will work with you to establish a mutually acceptable fee arrangement for this engagement and any future or special project engagements. We reiterate our strong interest in continuing to provide you the quality of service and support that will help you achieve your goals. If at any time you have a question concerning our services or fees, please call it to our attention so that we can discuss it.

Sincerely,

**CliftonLarsonAllen LLP**



Gregory J. Bussink, III, CPA, Principal

## EXHIBIT A

### **PART II** **INSTRUCTIONS TO OFFERORS**

#### 1.0 **Interpretations.**

- 1.1 **Incorporation of City Policies and Procedures.** This Request for Proposals is subject to the provisions of Chapter 21 of the Code of the City of Richmond, as amended, and the Policies and Procedures of the Department of Procurement Services, as amended, which are hereby expressly incorporated into this Request for Proposals by reference. Offerors may inspect copies of these documents at the City's website, [www.rva.com](http://www.rva.com).

#### 1.2 **Explanations to Offerors.**

- 1.2.1 **Inquiry.** All inquiries requesting clarification of this Request for Proposals should be made in writing no later than ten business days prior to the closing date to the Contracting Officer identified on the cover sheet of this Request for Proposals. If submitting an inquiry by electronic mail or facsimile transmission, the offeror should notify the Contracting Officer by telephone that the person is sending the inquiry by that means. All inquiries should clearly state the number of this Request for Proposals. Because each offeror may have different needs for information, that offeror must make whatever inquiries it deems necessary in order to respond to the Request for Proposals. Inquiries that the Contracting Officer determines to be pertinent to all solicited contractors will be answered by addenda to all solicited firms.
- 1.2.2 **Form of Explanation.** No oral explanation in regard to the meaning of this Request for Proposals will be made and no oral instructions will be given before the award of the contract. Any explanation, interpretation or modification of the Request for Proposals that is pertinent to all solicited offerors will be made only by an addendum duly issued by the City, a copy of which will be mailed or delivered to each offeror known to have received the Request for Proposals. The City shall not be responsible for any other explanations or interpretations anyone presumes to make on behalf of the City before the expiration of the ultimate time set for the receipt of proposals.
- 1.2.3 **Addenda.** From time to time, addenda may be issued that will provide clarifications or supplemental information about the Request for Proposals documents. All firms receiving Request for Proposals documents issued by the City will be provided copies of addenda. If an offeror fails to acknowledge any addendum that (i) has a material effect on the proposal (i.e., that relates to price, quantity, quality or delivery) and (ii) is not merely administrative, the City may consider that offeror's proposal incomplete, and the proposal thus may be rejected or receive a lower score in the evaluation process. The offeror shall acknowledge receipt of all addenda as part of its proposal and on the form provided for that purpose by the City. The offeror shall be solely responsible for verifying the existence of all addenda items.



- 1.3 **No Contact Policy.** Any contact with any City officer, employee, agent, or other representative concerning this Request for Proposals other than that outlined in section 1.2 (“Explanation to Offerors”) above is prohibited. Any such unauthorized contact may disqualify the offeror from this procurement.
- 1.4 **Other Documents.** The Statement of Needs, the General Terms and Conditions, and the Special Terms and Conditions attached to this Request for Proposals are hereby expressly made a part of and incorporated into this Request for Proposals. The Statement of Needs, the General Terms and Conditions, and the Special Terms and Conditions shall be a part of any contract that results from this Request for Proposals. This Request for Proposals also includes a sample of the City’s form contract as an attachment. All conditions contained in this attached contract are hereby expressly made a part of and incorporated into this Request for Proposals.
- 1.5 **Disqualification Due to Participation in Preparation of Solicitation.**
- 1.5.1 **Prohibition.** City Code § 21-281(a) prohibits any person who, for compensation, prepares a solicitation for or on behalf of the City from submitting a response to that solicitation or any portion thereof.
- 1.5.2 **Definition.** For purposes of this section 1.5 (“Disqualification Due to Participation in Preparation of Solicitation”), the word “prepares” has the meaning set forth in City Code § 21-281(b) and thus includes but is not limited to the following:
- (1) Serving as a director or deputy director of the agency which has initiated the procurement;
  - (2) Serving as the director of procurement services after the department of procurement services has received information on an agency's intent to procure;
  - (3) Serving as the procurement manager for the agency which has initiated the procurement;
  - (4) Serving as the procurement officer in charge of the procurement;
  - (5) Assisting in the development of specifications for invitations for bids or requests for proposals;
  - (6) Attending an evaluation committee meeting that is closed to the public;
  - (7) Voting on or scoring a bid or proposal; or
  - (8) Any other participation in the procurement process which could lead to unfair advantage.

- 1.5.3 **Disqualification and Waiver.** Pursuant to City Code § 21-281(c), the Chief Administrative Officer shall make the determination that a person is disqualified from submitting a response to a particular solicitation because of that person's participation in preparing that solicitation.
- 1.5.4 **No Contact Policy Applicable.** If a person planning to submit a response to a solicitation contacts the Chief Administrative Officer concerning such a disqualification, such person and the person's firm shall be disqualified from responding to the solicitation for violating the City's no contact policy because the person discussed the solicitation with a City representative other than the contract specialist responsible for the procurement.
- 1.5.5 **Appeal of Disqualification.** In accordance with City Code § 21-281(d), any person who has been disqualified pursuant to this section 1.5 ("Disqualification Due to Participation in Preparation of Solicitation") and City Code § 21-281 may appeal the Chief Administrative Officer's determination of disqualification by following the administrative appeals procedure set forth in City Code § 21-168 or by instituting legal action as provided in City Code § 21-169.
- 2.0 **Preparation of Proposals.**
- 2.1 **General Requirements.** The proposal must be typed and bound and should be presented as described in the paragraphs that follow. All pages in the proposal must be consecutively numbered. To be considered substantive, the proposal must respond to all requirements of this part of the Request for Proposals. Information supplied must be current and up to date. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. If the offeror supplies publications to respond to a requirement, the response must include reference to the document number and page number to provide a quick reference for the evaluation panel. Proposals not providing this reference will be considered to have no reference included in the additional documents. The proposal must include all the information defined below and be organized as set forth in the Statement of Needs.
- 2.2 **Substantive Nature of Proposals.** Proposals must be substantive. It is not sufficient for the offeror to address the proposal in general terms or in terms other than those outlined in this Request for Proposals. Proposals should be prepared simply and economically, providing a straightforward, concise description of the offeror's ability to meet the requirements set forth in the Request for Proposals.
- 2.3 **Authorized Signature.** All proposals must be signed in order to be considered. If the offeror is not an individual or a sole proprietor but rather a corporation or any other type of legal entity, the offeror must show the title of the individual executing the proposal and a resolution or other documentation clearly establishing the authority of the individual to sign the proposal and any subsequent contract.
- 2.4 **MBE/ESB Participation.** It is the policy of the City to encourage minority participation in all City contracts. To implement this policy, the City encourages minority participation

through subcontracting, joint ventures, or other methods in contracting for services. In the proposal evaluation process, points will be given to those proposals that have a substantial degree of minority business enterprise and emerging small business participation. In order to expedite the evaluation process, the Participation Commitment Minority Business Enterprise and Emerging Small Business form is attached to this Request for Proposals. The offeror should complete this Commitment Form, indicating the percentage of participation for this Request for Proposals. The completed form must accompany the proposal, or the offeror will forfeit all points assigned to Minority Business Enterprise and Emerging Small Business participation in the evaluation criteria.

- 2.5 **Faith-Based Organizations.** The City does not discriminate against faith-based organizations. By signing its proposal, the offeror, if a faith-based organization, agrees that it understands the requirements of City Code § 21-43 (Va. Code § 2.2-4343.1).
- 2.6 **Licenses, Permits and Fees.** All proposals submitted shall have included in any prices submitted the cost of any business or professional licenses, permits or fees required by the City of Richmond or the Commonwealth of Virginia.
- 2.7 **Public Inspection of Records.**
  - 2.7.1 **In General.** All proceedings, records, contracts and other public records relating to the procurement transaction that this Request for Proposals concerns shall be open to the inspection of any citizen of the Commonwealth of Virginia or any representative of a media organization with circulation in or that broadcasts in or into the Commonwealth of Virginia in accordance with the Virginia Freedom of Information Act.
  - 2.7.2 **Inspection by Offerors.** Any offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the evaluation and negotiations of proposals are completed, but prior to award, except in the event that the City decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to public inspection only after award of the contract.
  - 2.7.3 **Proprietary Information.** Pursuant to City Code § 21-5(f) (Va. Code § 2.2-4342(F)), trade secrets or proprietary information submitted by an offeror in connection with this procurement transaction shall not be subject to the Virginia Freedom of Information Act, provided that the offeror (i) invokes the protections of section 21-5 of the Code of the City of Richmond prior to or upon submission of the data or other materials, (ii) identifies the data or other materials to be protected, and (iii) states the reasons why protection is necessary. Classifying aspects of the proposal that are not trade secrets or proprietary is cause for the City to reject the proposal. Budgets and price quotations are considered public information in proposals submitted to the City. Classifying budgets and price quotations as “proprietary” or “confidential” is cause for the City to reject the proposal.
- 2.8 **Use of Brand Names.** Where a brand or trade name appears in the Request for Proposals, it is understood that the brand or trade name referred to, or its approved equal, shall be furnished. If the offeror proposes similar but not identical items, it must furnish full

particulars. If no mention is made of any exceptions, it is assumed that the offeror's pricing is for the article mentioned and not an approved equal, and the offeror will be required to deliver the exact article specified. The City shall decide, in its sole discretion, if a proposed equal will be approved.

- 2.9 **Descriptive Literature.** Each offeror shall submit with its proposal descriptive literature of equipment or supplies that the offeror proposes to furnish if such articles are of a different manufacture than those specified in this Request for Proposals. Should the description furnished in such literature differ from the specifications submitted by the City and should no mention be made to the contrary, the description shall be construed to mean that the offeror proposes to furnish equipment or supplies in accordance with such description and not in accordance with the City's specifications, and the City will evaluate the offeror's proposal accordingly.

2.10 **Exceptions.**

- A. An exception is any condition, limitation, qualification, restriction, term, or other deviation from the requirements of the Request for Proposals that is a condition of the offeror's proposal or that the offeror expects to become part of a contract with the City. Offerors are neither required nor encouraged to take exceptions to the requirements of the Request for Proposals. In some cases, where permitted by law, exceptions may count against an offeror during the evaluation stage or the negotiation stage of the procurement process.
- B. The offeror shall state in its proposal each exception, including the page number, the part and section numbers, the specific text at issue, and the nature of the exception, except as follows:
  - 1. If the Request for Proposals is one for "information technology" as defined in Va. Code § 2.2-2006, the offeror shall not state in its proposal any exception to any liability provisions contained in the Request for Proposals. Instead, if the offeror is selected for negotiations, the offeror shall state any exception to any liability provisions contained in the Request for Proposals in writing, including all of the information required by this section, at the beginning of negotiations.
  - 2. If the Request for Proposals is one for architectural or professional engineering services, the offeror shall not state in its proposal any exception to any proposed contractual term or condition unless such term or condition is required by statute, regulation, ordinance, or standards developed pursuant to Va. Code § 2.2-1132 until after the qualified offerors are ranked for negotiations. If the offeror is selected for negotiations, the offeror shall state any exception to any proposed contractual term or condition contained in the Request for Proposals in writing, including all of the information required by this section, at the beginning of negotiations.

C. If the offeror fails, neglects, or refuses to note any exception in the manner and at the time required by this section, the offeror agrees that it shall comply with the Request for Proposals as originally issued and modified by any addenda.

**3.0 Warranties and Representations of Offeror.**

**3.1 Compliance with Request for Proposals Documents.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that the offeror is in compliance with all terms and conditions of this Request for Proposals.

**3.2 Ethics in Public Contracting** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that (i) it has not violated any provisions of federal law, the Code of Virginia, the Charter of the City of Richmond, or the Code of the City of Richmond, (ii) its proposal is made without any understanding, agreement, or connection with any other person, firm, corporation, or joint venture making a proposal for the same purposes, and is in all respects fair and without collusion or fraud, (iii) it has not offered or received any kickbacks or inducements from any other contractor, supplier, manufacturer or subcontractor in connection with its proposal and (iv) it has not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged. The offeror further warrants and represents that no officer, employee or other person whose salary is payable in whole or in part by the City is, shall be, or become interested, directly or indirectly, as a contracting party, partner, stockholder, surety or otherwise, in this proposal, in the performance of the contract, in the supplies, materials, or equipment and work or labor to which it relates, or in any portion of the profits thereof. In addition, the offeror warrants and represents that the provisions of City Code §§ 21-274—21-285 (Va. Code §§ 2.2-4367—2.2-4377) pertaining to offerors, contractors and subcontractors apply to this Request for Proposals and any resulting contract. The offeror agrees that if these warranties and representations are in any respect breached, such breach shall constitute a material breach of any contract that the City may award to the offeror and the offeror shall pay to the City the full price agreed by the City to be paid for the supplies, materials, equipment or services to be furnished under its proposal.

**3.3 Lawful Age and No Others Have Interest.** By signing its proposal in response to this Request for Proposals, the offeror represents that the offeror is of lawful age and that no other person, firm, corporation or joint venture has any interest in this proposal or in the contract proposed to be entered into.

**3.4 No Debts to City.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that it is not in arrears to the City, upon debt or contract; is not a defaulter, as surety or otherwise, upon any obligation to the City; and has not been delinquent or unfaithful in any former contract with the City.

**3.5 Offeror Not Debarred.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that neither its organization nor any of its officers,

directors, partners or owners is currently barred from bidding on contracts by any agency of the federal government, any agency of the Commonwealth of Virginia, any agency of any other state, or any other public body or agency thereof.

- 3.6 **No Kickbacks or Conflicts of Interest.** By signing its proposal in response to this Request for Proposals, the offeror represents and warrants that it is in compliance with the provisions of section 2.3 (“Anti-Kickback Provision”) of the General Terms and Conditions included with this Request for Proposals and, further, that the offeror’s firm has no business or personal relationships with any other companies or persons that could be considered as a conflict of interest or potential conflict of interest to the City, and that there are no principals, officers, agents, employees, or representatives of the offeror’s firm that have any business or personal relationships with any other companies or persons that could be considered as a conflict of interest or a potential conflict of interest to the City, pertaining to any and all work or services to be performed as a result of this Request for Proposals and any resulting contract with the City.

3.7 **State Corporation Commission Registration.**

- 3.7.1 **Generally.** State law requires most business entities to register with the Commonwealth of Virginia’s State Corporation Commission to obtain legal authorization to transact business in Virginia. A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with the City shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract.
- 3.7.2 **Form Required.** Each offeror organized or authorized to transact business in the Commonwealth of Virginia pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its proposal the identification number issued to it by the State Corporation Commission. Any offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia, or as otherwise required by law, shall include in its proposal a statement describing why the offeror is not required to be so authorized. Each offeror shall indicate the above information on the State Corporation Commission Form included with the Request for Proposals.
- 3.7.3 **Warranty.** By signing its proposal in response to this Request for Proposals, the offeror represents and warrants that all information the offeror submits on its completed State Corporation Commission Form is true and complete at the time the offeror submits its proposal and will remain true and complete throughout the duration of any contract between the City and the offeror that results from this Request for Proposals. The offeror agrees that the process by which compliance with Title 13.1 and Title 50 of the Code of Virginia is checked during the solicitation stage (including without limitation the State

Corporation Commission Form provided) is streamlined and not definitive, and the City's use and acceptance of such form, or its acceptance of the offeror's statement describing why the offeror was not legally required to be authorized to transact business in the Commonwealth of Virginia, shall not be conclusive of the issue and shall not be relied upon by the offeror as demonstrating compliance.

**4.0 Submission of Proposals.**

**4.1 Copies.** Offerors should submit an original (so marked) and six copies of their proposals, signed by the offeror's contractually binding authority.

**4.2 Labeling.** All proposals must be sealed and labeled (on the outside of the sealed container), with the label displaying the following information:

Proposal for  
Request for Proposals No. \_\_\_\_\_  
Name of offeror  
Address of offeror  
Receipt and Closing Date:

**4.3 Recipient.** All proposals are to be addressed and delivered by the date and time specified on the Cover Sheet to the Contracting Officer identified on the Cover Sheet.

**4.4 Transmittal Letter.** The proposal should include a transmittal letter that lists the following:

Firm's Name  
Firm's Address  
Contact Name & Telephone Number  
Fax Number & E-mail Address

**4.5 Closing Date.** To be considered, a proposal must arrive at the address and on or before the time and date set forth on the Cover Sheet to this Request for Proposals. The City will not accept a proposal that is late. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt of their proposals. The offeror shall not make any other distribution of proposals. However, materials or information received from a prospective contractor as result of a request by the Contracting Officer shall not be considered a violation of this section.

**4.6 Multiple Proposals.** An offeror may submit more than one proposal. At least one of the proposals should be complete and should comply with all of the instructions contained in this Request for Proposals. Additional proposals may be in abbreviated form following the same format and providing only the information that is different from that in the complete proposal.

**4.7 Separate Proposals.** Proposals for separate Requests for Proposals shall not be combined on the same form or placed in the same envelope. At its option, the City may decline to consider such proposals.

- 4.8 **Return of Proposal.** All proposals submitted pursuant to this Request for Proposals will become the property of the City and will not be returned.
- 5.0 **Evaluation and Selection Process.**
- 5.1 **Opening of Proposals.** At the designated time and date, the Department of Procurement Services will open and list the proposals for the record. This is not a public opening. The proposals, if responsive, will then be forwarded to the using agency and Evaluation Committee to initiate the review and selection process. Responses received after the date and time specified in section 4.5 (“Closing Date”) will be deemed non-responsive and will be returned unopened.
- 5.2 **Initial Evaluation of Proposals.** An evaluation panel established by the Director of Procurement Services will review the proposals submitted by each offeror. The evaluation panel will score each proposal based on the evaluation and selection criteria set forth in the Request for Proposals. The City intends that this scoring result in the selection of two or more offerors deemed fully qualified, responsible and suitable on the basis of the proposals submitted and with emphasis on professional competence to provide the required services for discussions in accordance with section 5.3 (“Discussions with Offerors”). The City reserves the right to conduct any test it deems advisable and to make all evaluations pursuant thereto it deems necessary.
- 5.3 **Discussions with Offerors.** The City shall engage in individual discussions with two or more offerors deemed in the evaluation conducted under section 5.2 (“Initial Evaluation of Proposals”) fully qualified, responsible and suitable on the basis of the proposals submitted and with emphasis on professional competence to provide the required services. The City may engage in repetitive informal interviews with offerors. The offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. At the discussion stage, the City may discuss nonbinding estimates of total project costs, including, but not limited to, life-cycle costing, and where appropriate, nonbinding estimates of price for services. Proprietary information submitted by competing offerors pursuant to City Code § 21-5(f) / Va. Code § 2.2-4342(F) shall not be disclosed to the public or to competitors. (City Code § 21-68(b) / Va. Code § 2.2-4301.)
- 5.4 **Final Ranking of Offerors.** At the conclusion of the discussions outlined in section 5.3 (“Discussions with Offerors”) and on the basis of the evaluation and selection criteria set forth in the Request for Proposals and all information developed in the selection process to this point, the City shall select in the order of preference two or more offerors whose professional qualifications and proposed services are deemed most meritorious. (City Code § 21-68(b) / Va. Code § 2.2-4301.)
- 5.5 **Conduct of Negotiations.** Negotiations shall be conducted beginning with the offeror ranked first. If a contract satisfactory and advantageous to the City can be negotiated



at a price the City considers fair and reasonable, the City shall award the contract to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations conducted with the offeror ranked second, and so on until such a contract can be negotiated at a fair and reasonable price. However, should the City determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror. (City Code § 21-68(b) / Va. Code § 2.2-4301.)

- 5.6 **Intent to Award.** Upon the conclusion of negotiations with one or more offerors, the City shall post an intent to award a contract pursuant to this Request for Proposals to such offeror or offerors. The intent to award shall state that final award is subject to City Council approval pursuant to section 5.7 (“City Council Approval”) of Part II (“Instructions to Offerors”) of this Request for Proposals.
- 5.7 **City Council Approval.** Section 8.10 of the Charter of the City of Richmond requires that the City Council approve the award of this Contract. After the intent to award is posted, the City Auditor will recommend to the City Council that it adopt an ordinance authorizing the award of the contract for which an intent to award has been posted.
- 6.0 **Award and Execution of Contract.**
- 6.1 **Award.**
- 6.1.1 **In General.** The City will make the award to the responsible and responsive offeror whose proposal is determined in writing to be the most advantageous to the City, taking into consideration price and the evaluation factors set forth in this Request for Proposals.
- 6.1.2 **Multiple Awards.** The City reserves the right to make awards under this Request for Proposals to more than one offeror if the City determines that doing so is in the best interests of the City. Each contract awarded will include an exhibit specifying the portion of the scope of services awarded to that offeror.
- 6.2 **Rejection of Proposals.** The City reserves the right to reject any or all proposals, in whole or in part, and to delete items prior to making the award, whenever it is deemed in the sole opinion of the City to be in its best interest. The City reserves the right to negotiate with the selected offeror in order to best serve the needs of the City in respect to both cost effectiveness and comprehensive program design.
- 6.3 **Nondiscrimination in Award.** The City shall not discriminate against any offeror in the solicitation or award of a contract based on this Request for Proposals because of race, religion, color, sex, national origin, age, disability, faith-based organizational status or any other basis prohibited by state law relating to discrimination in employment or because the offeror employs ex-offenders unless the using agency has

made a written determination that employing ex-offenders on the specific contract is not in its best interest.

- 6.4 **Notice of Award.** Following the selection of an offeror and the signing of a contract, the Contract Specialist will notify those offerors whose proposals are not selected of the name of the selected offeror. Offerors should note that it may take up to two months to award this Contract.
- 6.5 **Contractual Obligation.** The proposal submitted by the selected contractor and this Request for Proposals shall become an attachment to the contract signed by the City and the selected offeror. Price quotations and other time-dependent information contained in proposals should be valid for a minimum of 90 days from the closing date of this Request for Proposals. The City may undertake negotiations with offerors whose proposals show them to be qualified, responsible and capable of performing the work in accordance with the stated criteria. The City shall not be liable for any costs incurred by offerors in connection with the preparation or submission of proposals and related materials or negotiations.
- 6.6 **When Contractual Obligation Arises.** No contract shall result from the submission of any proposal and no liability shall accrue with respect thereto until a written contract and any other necessary documents have been fully and completely executed by both the successful offeror and the City.
- 6.7 **Contract Execution Requirements.** Upon notice of the award of a contract pursuant to this Request for Proposals, the successful offeror shall sign the final contract document, a sample of which is included with this Request for Proposals, upon receipt thereof from the Contract Specialist and furnish the insurance documents required by the Terms and Conditions included with this Request for Proposals. The offeror shall furnish the City with the signed contract and the required insurance documents within 15 calendar days after the date of the notice of award or within such further time as the City may allow. Once the City has received the signed contract and insurance documents from the successful offeror, the City's representatives will then sign the contract.

### **END OF INSTRUCTIONS TO OFFERORS**

## **PART II**

### **INSTRUCTIONS TO OFFERORS**

#### **1.0 Interpretations.**

- 1.1 Incorporation of City Policies and Procedures.** This Request for Proposals is subject to the provisions of Chapter 21 of the Code of the City of Richmond, as amended, and the Policies and Procedures of the Department of Procurement Services, as amended, which are hereby expressly incorporated into this Request for Proposals by reference. Offerors may inspect copies of these documents at the City's website, [www.rva.gov](http://www.rva.gov).

#### **1.2 Explanations to Offerors.**

- 1.2.1 Inquiry.** All inquiries requesting clarification of this Request for Proposals should be made in writing no later than ten business days prior to the closing date to the Contracting Officer identified on the cover sheet of this Request for Proposals. If submitting an inquiry by electronic mail or facsimile transmission, the offeror should notify the Contracting Officer by telephone that the person is sending the inquiry by that means. All inquiries should clearly state the number of this Request for Proposals. Because each offeror may have different needs for information, that offeror must make whatever inquiries it deems necessary in order to respond to the Request for Proposals. Inquiries that the Contracting Officer determines to be pertinent to all solicited contractors will be answered by addenda to all solicited firms.
- 1.2.2 Form of Explanation.** No oral explanation in regard to the meaning of this Request for Proposals will be made and no oral instructions will be given before the award of the contract. Any explanation, interpretation or modification of the Request for Proposals that is pertinent to all solicited offerors will be made only by an addendum duly issued by the City, a copy of which will be mailed or delivered to each offeror known to have received the Request for Proposals. The City shall not be responsible for any other explanations or interpretations anyone presumes to make on behalf of the City before the expiration of the ultimate time set for the receipt of proposals.
- 1.2.3 Addenda.** From time to time, addenda may be issued that will provide clarifications or supplemental information about the Request for Proposals documents. All firms receiving Request for Proposals documents issued by the City will be provided copies of addenda. If an offeror fails to acknowledge any addendum that (i) has a material effect on the proposal (i.e., that relates to price, quantity, quality or delivery) and (ii) is not merely administrative, the City may consider that offeror's proposal incomplete, and the proposal thus may be rejected or receive a lower score in the evaluation process. The offeror shall acknowledge receipt of all addenda as part of its proposal and on the form provided for that purpose by the City. The offeror shall be solely responsible for verifying the existence of all addenda items.
- 1.3 No Contact Policy.** Any contact with any City officer, employee, agent, or other representative concerning this Request for Proposals other than that outlined in section 1.2

("Explanation to Offerors") above is prohibited. Any such unauthorized contact may disqualify the offeror from this procurement.

- 1.4 **Other Documents.** The Statement of Needs, the General Terms and Conditions, and any Special Terms and Conditions attached to this Request for Proposals are hereby expressly made a part of and incorporated into this Request for Proposals. The General Terms and Conditions and any Special Terms and Conditions shall be a part of any contract that results from this Request for Proposals. This Request for Proposals also includes a sample of the City's form contract as an attachment. All conditions contained in this attached contract are hereby expressly made a part of and incorporated into this Request for Proposals.

1.5 **Disqualification Due to Participation in Preparation of Solicitation.**

- 1.5.1 **Prohibition.** City Code § 21-281(a) prohibits any person who, for compensation, prepares a solicitation for or on behalf of the City from submitting a response to that solicitation or any portion thereof.

- 1.5.2 **Definition.** For purposes of this section 1.5 ("Disqualification Due to Participation in Preparation of Solicitation"), the word "prepares" has the meaning set forth in City Code § 21-281(b) and thus includes but is not limited to the following:

- (1) Serving as a director or deputy director of the agency which has initiated the procurement;
- (2) Serving as the director of procurement services after the department of procurement services has received information on an agency's intent to procure;
- (3) Serving as the procurement manager for the agency which has initiated the procurement;
- (4) Serving as the procurement officer in charge of the procurement;
- (5) Assisting in the development of specifications for invitations for bids or requests for proposals;
- (6) Attending an evaluation committee meeting that is closed to the public;
- (7) Voting on or scoring a bid or proposal; or
- (8) Any other participation in the procurement process which could lead to unfair advantage.

- 1.5.3 **Disqualification and Waiver.** Pursuant to City Code § 21-281(c), the Chief Administrative Officer shall make the determination that a person is disqualified from submitting a response to a particular solicitation because of that person's participation in preparing that solicitation.

- 1.5.4 **No Contact Policy Applicable.** If a person planning to submit a response to a solicitation contacts the Chief Administrative Officer concerning such a disqualification, such person and the person's firm shall be disqualified from responding to the solicitation for violating the City's no contact policy because the person discussed the solicitation with a City representative other than the Contracting Officer responsible for the procurement.
- 1.5.5 **Appeal of Disqualification.** In accordance with City Code § 21-281(d), any person who has been disqualified pursuant to this section 1.6 ("Disqualification Due to Participation in Preparation of Solicitation") and City Code § 21-281 may appeal the Chief Administrative Officer's determination of disqualification by following the administrative appeals procedure set forth in City Code § 21-168 or by instituting legal action as provided in City Code § 21-169.
- 2.0 **Preparation of Proposals.**
- 2.1 **General Requirements.** The proposal must be typed and bound and should be presented as described in the paragraphs that follow. All pages in the proposal must be consecutively numbered. To be considered substantive, the proposal must respond to all requirements of this part of the Request for Proposals. Information supplied must be current and up to date. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. If the offeror supplies publications to respond to a requirement, the response must include reference to the document number and page number to provide a quick reference for the evaluation panel. Proposals not providing this reference will be considered to have no reference included in the additional documents. The proposal must include all the information defined below and be organized as set forth in the Statement of Needs.
- 2.2 **Substantive Nature of Proposals.** Proposals must be substantive. It is not sufficient for the offeror to address the proposal in general terms or in terms other than those outlined in this Request for Proposals. Proposals should be prepared simply and economically, providing a straightforward, concise description of the offeror's ability to meet the requirements set forth in the Request for Proposals.
- 2.3 **Authorized Signature.** All proposals must be signed in order to be considered. If the offeror is not an individual or a sole proprietor but rather a corporation or any other type of legal entity, the offeror must show the title of the individual executing the proposal and a resolution or other documentation clearly establishing the authority of the individual to sign the proposal and any subsequent contract.
- 2.4 **MBE/ESB Participation.** When the City of Richmond establishes a goal for MBE/ESB participation on a city project, all minority and non-minority prime contractors/vendors are required to have MBE/ESB participation.

**2.4.1 Policy.** It is the policy of the City to encourage minority participation on all City contracts. To advance this policy, the City encourages minority participation through subcontracting, joint ventures, or other methods in contracting for services.

**2.4.2 Certification.**

- A. All Minority Business Enterprise subcontractors and vendors must be registered with the City of Richmond's Office of Minority Business Development (OMBD) and certified by the Commonwealth of Virginia Department of Minority Business Enterprise or a comparable certifying entity as a Minority Business Enterprise. OMBD reserves the right to accept the certification of other certifying agencies.
- B. All Emerging Small Business subcontractors and vendors must be certified by the City of Richmond's Office of Minority Business Development (OMBD).

**2.4.3 Evaluation.**

- A. In the proposal evaluation process, up to 30 points will be given to those proposals that have documented past good faith efforts and have proposed MBE/ESB participation that relate to the established goal. All MBE/ESB forms that relate to this matter must be included in the prime contractors/vendors response. All documentation as it relates to past good faith efforts and proposed MBE participation must be submitted on the required forms in order to expedite the evaluation process. We have attached the Participation Commitment and the Current and Past Good Faith Effort forms for completion. The offeror should complete all pertinent MBE/ESB forms or risk forfeiting the 30 points assigned to Minority Business Enterprise and Emerging Small Business participation.
- B. The City of Richmond encourages MBE/ESB participation on all City of Richmond contracts. If the City of Richmond waives the setting of goals, it is up to the prime contractor/vendor to determine whether or not they will voluntarily have MBE/ESB participation. Voluntarily committing to MBE/ESB participation allows the prime contractor/vendor to use this commitment as past good faith efforts for credit on future projects that have MBE participation with the City. When presenting MBE/ESB participation, use the forms created by the Office of Minority Business Development (OMBD) (MBE-1, MBE-2 and Good Faith Effort) in order to properly document your participation efforts.

**2.5 Faith-Based Organizations.** The City does not discriminate against faith-based organizations. By signing its proposal, the offeror, if a faith-based organization, agrees that it understands the requirements of City Code § 21-43 (Va. Code § 2.2-4343.1).

**2.6 Licenses, Permits and Fees.** All proposals submitted shall have included in the prices submitted the cost of any business or professional licenses, permits or fees required by the City of Richmond or the Commonwealth of Virginia.

## **2.7 Public Inspection of Records.**

**2.7.1 In General.** All proceedings, records, contracts and other public records relating to the procurement transaction that this Request for Proposals concerns shall be open to the inspection of any citizen of the Commonwealth of Virginia or any representative of a media organization with circulation in or that broadcasts in or into the Commonwealth of Virginia in accordance with the Virginia Freedom of Information Act.

**2.7.2 Inspection by Offerors.** Any offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the evaluation and negotiations of proposals are completed, but prior to award, except in the event that the City decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to public inspection only after award of the contract.

**2.7.3 Proprietary Information.** Pursuant to City Code § 21-5(f) (Va. Code § 2.2-4342(F)), trade secrets or proprietary information submitted by an offeror in connection with this procurement transaction shall not be subject to the Virginia Freedom of Information Act, provided that the offeror (i) invokes the protections of section 21-5 of the Code of the City of Richmond prior to or upon submission of the data or other materials, (ii) identifies the data or other materials to be protected, and (iii) states the reasons why protection is necessary. Classifying aspects of the proposal that are not trade secrets or proprietary is cause for the City to reject the proposal. Budgets and price quotations are considered public information in proposals submitted to the City. Classifying budgets and price quotations as “proprietary” or “confidential” is cause for the City to reject the proposal.

**2.8 Use of Brand Names.** Where a brand or trade name appears in the Request for Proposals, it is understood that the brand or trade name referred to, or its approved equal, shall be furnished. If the offeror proposes similar but not identical items, it must furnish full particulars. If no mention is made of any exceptions, it is assumed that the offeror’s pricing is for the article mentioned and not an approved equal, and the offeror will be required to deliver the exact article specified. The City shall decide, in its sole discretion, if a proposed equal will be approved.

**2.9 Descriptive Literature.** Each offeror shall submit with its proposal descriptive literature of equipment or supplies that the offeror proposes to furnish if such articles are of a different manufacture than those specified in this Request for Proposals. Should the description furnished in such literature differ from the specifications submitted by the City and should no mention be made to the contrary, the description shall be construed to mean that the offeror proposes to furnish equipment or supplies in accordance with such description and not in accordance with the City’s specifications, and the City will evaluate the offeror’s proposal accordingly.

## **2.10 Exceptions.**

A. An exception is any condition, limitation, qualification, restriction, term, or other deviation from the requirements of the Request for Proposals that is a condition of

the offeror's proposal or that the offeror expects to become part of a contract with the City. Offerors are neither required nor encouraged to take exceptions to the requirements of the Request for Proposals. In some cases, where permitted by law, exceptions may count against an offeror during the evaluation stage or the negotiation stage of the procurement process.

B. The offeror shall state in its proposal each exception, including the page number, the part and section numbers, the specific text at issue, and the nature of the exception, except as follows:

1. If the Request for Proposals is one for "information technology" as defined in Va. Code § 2.2-2006, the offeror shall not state in its proposal any exception to any liability provisions contained in the Request for Proposals. Instead, if the offeror is selected for negotiations, the offeror shall state any exception to any liability provisions contained in the Request for Proposals in writing, including all of the information required by this section, at the beginning of negotiations.
2. If the Request for Proposals is one for architectural or professional engineering services, the offeror shall not state in its proposal any exception to any proposed contractual term or condition unless such term or condition is required by statute, regulation, ordinance, or standards developed pursuant to Va. Code § 2.2-1132 until after the qualified offerors are ranked for negotiations. If the offeror is selected for negotiations, the offeror shall state any exception to any proposed contractual term or condition contained in the Request for Proposals in writing, including all of the information required by this section, at the beginning of negotiations.

C. If the offeror fails, neglects, or refuses to note any exception in the manner and at the time required by this section, the offeror agrees that it shall comply with the Request for Proposals as originally issued and modified by any addenda.

### **3.0 Warranties and Representations of Offeror.**

3.1 **Compliance with Request for Proposals Documents.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that the offeror is in compliance with all terms and conditions of this Request for Proposals.

3.2 **Ethics in Public Contracting** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that (i) it has not violated any provisions of federal law, the Code of Virginia, the Charter of the City of Richmond, or the Code of the City of Richmond, (ii) its proposal is made without any understanding, agreement, or connection with any other person, firm, corporation, or joint venture making a proposal for the same purposes, and is in all respects fair and without collusion or fraud, (iii) it has not offered or received any kickbacks or inducements from any other contractor, supplier, manufacturer or subcontractor in connection with its proposal and (iv) it has not conferred



on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged. The offeror further warrants and represents that no officer, employee or other person whose salary is payable in whole or in part by the City is, shall be, or become interested, directly or indirectly, as a contracting party, partner, stockholder, surety or otherwise, in this proposal, in the performance of the contract, in the supplies, materials, or equipment and work or labor to which it relates, or in any portion of the profits thereof. In addition, the offeror warrants and represents that the provisions of City Code §§ 21-274—21-285 (Va. Code §§ 2.2-4367—2.2-4377) pertaining to offerors, contractors and subcontractors apply to this Request for Proposals and any resulting contract. The offeror agrees that if these warranties and representations are in any respect breached, such breach shall constitute a material breach of any contract that the City may award to the offeror and the offeror shall pay to the City the full price agreed by the City to be paid for the supplies, materials, equipment or services to be furnished under its proposal.

- 3.3 **Lawful Age and No Others Have Interest.** By signing its proposal in response to this Request for Proposals, the offeror represents that the offeror is of lawful age and that no other person, firm, corporation or joint venture has any interest in this proposal or in the contract proposed to be entered into.
- 3.4 **No Debts to City.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that it is not in arrears to the City, upon debt or contract; is not a defaulter, as surety or otherwise, upon any obligation to the City; and has not been delinquent or unfaithful in any former contract with the City.
- 3.5 **Offeror Not Debarred.** By signing its proposal in response to this Request for Proposals, the offeror warrants and represents that neither its organization nor any of its officers, directors, partners or owners is currently barred from bidding on contracts by any agency of the federal government, any agency of the Commonwealth of Virginia, any agency of any other state, or any other public body or agency thereof.
- 3.6 **No Kickbacks or Conflicts of Interest.** By signing its proposal in response to this Request for Proposals, the offeror represents and warrants that it is in compliance with the provisions of section 2.3 (“Anti-Kickback Provision”) of the General Terms and Conditions included with this Request for Proposals and, further, that the offeror’s firm has no business or personal relationships with any other companies or persons that could be considered as a conflict of interest or potential conflict of interest to the City, and that there are no principals, officers, agents, employees, or representatives of the offeror’s firm that have any business or personal relationships with any other companies or persons that could be considered as a conflict of interest or a potential conflict of interest to the City, pertaining to any and all work or services to be performed as a result of this Request for Proposals and any resulting contract with the City.
- 3.7 **State Corporation Commission Registration.**

- 3.7.1 **Generally.** State law requires most business entities to register with the Commonwealth of Virginia's State Corporation Commission to obtain legal authorization to transact business in Virginia. A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with the City shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract.
- 3.7.2 **Form Required.** Each offeror organized or authorized to transact business in the Commonwealth of Virginia pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its proposal the identification number issued to it by the State Corporation Commission. Any offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia, or as otherwise required by law, shall include in its proposal a statement describing why the offeror is not required to be so authorized. Each offeror shall indicate the above information on the State Corporation Commission Form included with the Request for Proposals.
- 3.7.3 **Warranty.** By signing its proposal in response to this Request for Proposals, the offeror represents and warrants that all information the offeror submits on its completed State Corporation Commission Form is true and complete at the time the offeror submits its proposal and will remain true and complete throughout the duration of any contract between the City and the offeror that results from this Request for Proposals. The offeror agrees that the process by which compliance with Title 13.1 and Title 50 of the Code of Virginia is checked during the solicitation stage (including without limitation the State Corporation Commission Form provided) is streamlined and not definitive, and the City's use and acceptance of such form, or its acceptance of the offeror's statement describing why the offeror was not legally required to be authorized to transact business in the Commonwealth of Virginia, shall not be conclusive of the issue and shall not be relied upon by the offeror as demonstrating compliance.
- 4.0 **Submission of Proposals.**
- 4.1 **Copies.** Offerors shall submit an original proposal, clearly identified as such and signed in blue ink by the offeror's contractually binding authority. In addition, offerors shall submit additional copies of their proposals in such number and such electronic and paper formats as may be specified in the Statement of Needs.
- 4.2 **Labeling.** All proposals must be sealed and labeled (on the outside of the sealed container), with the label displaying the following information:

Proposal for  
Request for Proposals No.  
Name of offeror

Address of offeror  
Receipt and Closing Date:

- 4.3 **Recipient.** All proposals are to be addressed and delivered by the date and time specified on the Cover Sheet to the Contracting Officer identified on the Cover Sheet.
- 4.4 **Transmittal Letter.** The proposal should include a transmittal letter that lists the following:
- Firm's Name
  - Firm's Address
  - Contact Name and Telephone Number
  - Fax Number and E-mail Address
- 4.5 **Closing Date.** To be considered, a proposal must arrive at the address set forth in section 4.3 ("Recipient") on or before the time and date set forth on the Cover Sheet to this Request for Proposals. The City will not accept a proposal that is late. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt of their proposals. The offeror shall not make any other distribution of proposals. However, materials or information received from a prospective contractor as result of a request by the Contracting Officer shall not be considered a violation of this section.
- 4.6 **Multiple Proposals.** An offeror may submit more than one proposal. At least one of the proposals should be complete and should comply with all of the instructions contained in this Request for Proposals. Additional proposals may be in abbreviated form following the same format and providing only the information that is different from that in the complete proposal.
- 4.7 **Separate Proposals.** Proposals for separate Requests for Proposals shall not be combined on the same form or placed in the same envelope. At its option, the City may decline to consider such proposals.
- 4.8 **Return of Proposal.** All proposals submitted pursuant to this Request for Proposals will become the property of the City and will not be returned.
- 5.0 **Evaluation and Selection Process.**
- 5.1 **Opening.** At the designated time and date, the Department of Procurement Services will open and list the proposals for the record. This is not a public opening. The proposals will then be forwarded to the using agency and evaluation panel to initiate the review and selection process. Proposals received after the date and time specified in section 4.5 ("Closing Date") are late and will be returned unopened at the offeror's expense.
- 5.2 **Evaluation.** During the evaluation phase, an evaluation panel will review and score the proposals in accordance with the evaluation criteria set forth in the Request for Proposals. Some offerors may be eliminated at this stage. Once the evaluation panel has completed this initial scoring, the evaluation panel may engage in discussions with offerors not eliminated by the initial scoring to clarify specific matters presented in those offerors' proposals.

Discussions may include oral interviews or presentations or written communications as specified in the Request for Proposals or, if not so specified, at the sole discretion of the City. The evaluation panel will use information gained during these discussions together with information presented in the proposal to rank offerors in accordance with the evaluation criteria stated in the Request for Proposals. The evaluation panel reserves the right to visit the premises of the offeror if the evaluation panel determines that it is necessary to do so.

5.3 **Samples.** The offeror shall furnish the City with samples of items, if requested, without charge, upon request and within ten calendar days of such request. The offeror's failure to provide such samples within the specified time frame or to otherwise comply with this section shall be sufficient cause for the City, at its sole option, to reject the offeror's proposal. If not destroyed and upon request at the time of submission, the City will return samples at the offeror's expense.

5.4 **Tests.** The City reserves the right to conduct any test it may deem advisable and to make all evaluations necessary.

5.5 **Negotiation with Offerors.**

5.5.1 **In General.** The City may undertake negotiations with offerors whose proposals show them to be qualified, responsible and capable of performing the work in accordance with the stated criteria.

5.5.2 **Procedure.** Unless the Director of Procurement Services determines that only one offeror is fully qualified or that one offeror is clearly more highly qualified than the others under consideration, selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the Request for Proposals, including price if so stated in the Request for Proposals. Negotiations shall then be conducted with each of the offerors so selected. (*See City Code § 21-67.*)

6.0 **Award and Execution of Contract.**

6.1 **Award.**

6.1.1 **In General.** The City will make the award to the responsible and responsive offeror whose proposal is determined in writing to be the most advantageous to the City, taking into consideration price and the evaluation factors set forth in this Request for Proposals.

6.1.2 **Multiple Awards.** The City reserves the right to make awards under this Request for Proposals to more than one offeror if the City determines that doing so is in the best interests of the City. If the City makes multiple awards under this Request for Proposals, each contract awarded will specify the portion of the scope of services awarded to that offeror.

- 6.2 **Rejection of Proposals.** The City reserves the right to reject any or all proposals, in whole or in part, and to delete items prior to making the award, whenever it is deemed in the sole opinion of the City to be in its best interest.
- 6.3 **Nondiscrimination in Award.** The City shall not discriminate against any offeror in the solicitation or award of a contract based on this Request for Proposals because of race, religion, color, sex, national origin, age, disability, faith-based organizational status or any other basis prohibited by state law relating to discrimination in employment or because the offeror employs ex-offenders unless the using agency has made a written determination that employing ex-offenders on the specific contract is not in its best interest.
- 6.4 **Notice of Award.** A contract is awarded only when the Director of Procurement Services signs the contract. The Contracting Officer may provide notice of the City's decision to award a contract prior to award of that contract by posting a notice of intent to award on the website of the Department of Procurement Services. A notice of intent to award means that the City intends to award the contract to the offeror named in the notice ten calendar days after the notice is posted. Offerors are responsible for monitoring the website of the Department of Procurement Services for content posted thereon.
- 6.5 **Contractual Obligation.** The proposal submitted by the selected contractor and this Request for Proposals shall become an attachment to the contract signed by the City and the selected offeror. Price quotations and other time-dependent information contained in proposals should be valid for a minimum of 90 days from the closing date of this Request for Proposals. The City may undertake negotiations with offerors whose proposals show them to be qualified, responsible and capable of performing the work in accordance with the stated criteria. The City shall not be liable for any costs incurred by offerors in connection with the preparation or submission of proposals and related materials or negotiations.
- 6.6 **When Contractual Obligation Arises.** No contract shall result from the submission of any proposal and no liability shall accrue with respect thereto until a written contract and any other necessary documents have been fully and completely executed by both the successful offeror and the City.
- 6.7 **Contract Execution Requirements.** Upon notice of the award of a contract pursuant to this Request for Proposals, the successful offeror shall sign the final contract document, a sample of which is included with this Request for Proposals, upon receipt thereof from the Contracting Officer, register in the City's online Supplier Portal, and furnish the insurance documents required by the General Terms and Conditions included with this Request for Proposals. The offeror shall furnish the City with the signed contract and the required insurance documents and must have registered in the City's online Supplier Portal within 15 calendar days after the date of the notice of award or within such further time as the City may allow. Once the City has received the signed contract and insurance documents from the successful offeror, the City's representative will then sign the contract. The signature of the City's representative on the contract constitutes the award of the contract.

## **END OF INSTRUCTIONS TO OFFERORS**

**CITY OF RICHMOND  
DEPARTMENT OF  
PROCUREMENT  
SERVICES  
RICHMOND, VIRGINIA  
(804) 646-5716**

**November 9, 2021**



**Request for Proposals No. 210016017  
for  
External Auditing Services**

**Due Date: December 16, 2021  
Time: 3:00P.M.**

**NOTE:** Offerors choosing to submit proposals through **hand-delivery** should allow extra time for delivery of proposals. Hand-delivered proposals will be accepted only during the hours of 9:00 am to 4:00 pm Monday through Friday at the 9th Street entrance to City Hall at 900 East Broad Street, Richmond, Virginia 23219. Offerors choosing to hand-deliver proposals must sign in at the security desk on the 1<sup>st</sup> Floor before delivering proposals to the 11<sup>th</sup> Floor, Suite 1104. Proposals will not be accepted after the Due Date and Time listed above.

**Request for Proposal Prepared by:**

Name: Lesley R. Brown

Title: Contracting Officer

Office: (804) 646-5722

Cell Phone: (804) 718-1319

Fax (804) 646-5989

Email: [Lesley.brown@richmondgov.com](mailto:Lesley.brown@richmondgov.com)

Department of Procurement Services

<http://www.richmondgov.com/Procurement/BidsProposals.aspx>