

REQUEST FOR QUOTE

AUDITING SERVICES

December 2, 2019

Western Virginia Regional Industrial Facility Authority

**WESTERN VIRGINIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY**

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I. GENERAL INFORMATION

A. Purpose

This Request for Quote (RFQ) is to contract for a financial audit for the year ending June 30, 2020. The proposal includes options for four (4) additional years.

B. Who May Respond

Only licensed Certified Public Accountants may respond to this RFQ.

C. Instructions on Quote Submission

1. Closing Submission Date

Quotes must be submitted no later than **3:00 p.m.** on Tuesday, **January 7, 2020**.

2. Inquiries

Inquiries concerning this RFQ should be directed to Sherry Dean at 540.343.4417 or sdean@rvarc.org.

3. Conditions of Quote

All costs incurred in the preparation of a quote responding to this RFQ will be the responsibility of the Offeror and will not be reimbursed by the Western Virginia Regional Industrial Facility Authority (WVRIFA).

4. Instructions to Prospective Contractors

Your quote should be addressed as follows:

Sherry Dean, Director of Finance
Western Virginia Regional Industrial Facility Authority
P.O. Box 2569
Roanoke, Virginia 24010-2569

It is important that the Offeror's quote be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

Request for Quote
3:00 p.m. January 7, 2020
For Audit Services

It is the responsibility of the Offeror to ensure that the quote is received by the Western Virginia Regional Industrial Facility Authority by the date and time specified above. Late quotes will not be considered.

5. Right to Reject

The WVRIFA reserves the right to reject any and all quotes received in response to this RFQ. A contract for the accepted quote will be based upon the factors described in this RFQ.

6. Small and/or Minority-owned Businesses

Efforts will be made to utilize small businesses and minority-owned businesses.

An Offeror qualifies as a small business firm, if it meets the definition of "small business" as established by the Virginia Public Procurement Act (2.2-4310), by having average annual receipts of less than ten million dollars, has 250 or fewer employees and is independently owned.

7. Notification of Award

It is expected that a decision selecting the successful audit firm will be made within twelve (12) weeks of the closing date for the receipt of quotes. Upon conclusion of final negotiations with the successful audit firm, all Offerors submitting quotes in response to this RFQ will be informed, in writing, of the name of the successful audit firm.

It is expected that the contract shall be a one-year fixed price contract with options for four additional one-year periods.

D. Description of Entity and Records to be Audited

The WVRIFA is a government authority established on December 11, 2013, through the Virginia Regional Industrial Facilities Act, and serves the County of Roanoke, the County of Botetourt, the County of Franklin, the City of Roanoke, the City of Salem and the Town of Vinton in the Commonwealth of Virginia. Administrative offices and all records are located at 313 Luck Avenue, SW, Roanoke, Virginia 24016.

On September 1, 2016, the Roanoke Valley-Alleghany Regional Commission (RVARC) became the fiscal agent for the WVRIFA. RVARC's responsibilities include, but are not limited to, receiving, managing and administering all WVRIFA funds, accepting, maintaining, disbursing, accounting for and reporting all funds received on behalf of the WVRIFA, and maintaining proper financial accounting records.

E. Options

At the discretion of the WVRIFA, this audit contract can be extended for four (4) additional one-year periods. The cost for the option periods will be agreed upon by the WVRIFA and the Offeror. It is anticipated that the cost for the optional years will be based upon the same approximate cost per thousand dollars of audited expenditures as the contract for the initial year.

II. SPECIFICATION OF NEEDS

A. Scope of a Financial Audit

The purpose of this RFQ is to obtain the services of a public accounting firm, whose

principal officers are independent certified public accountants, certified or licensed by a regulatory authority of a state or other political subdivision of the United States, hereinafter referred to as the "Offeror" to perform a financial audit of the WVRIFA.

Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (2011 Revision), states:

Financial audits are primarily concerned with providing reasonable assurance about whether financial statements are presented fairly in all respects in conformity with generally accepted accounting principles.

B. Description of Programs/Contracts/Grants (WVRIFA)

The WVRIFA operates programs funded with federal, state and local funds. Please see Attachment 1 for a listing of the FY2020 WVRIFA revenue budget.

C. Performance

The WVRIFA's records should be audited through June 30, 2020.

D. Delivery Schedule

Offeror is to transmit one copy of the draft audit report to the WVRIFA's Executive Director, Director of Finance, Chairman and Treasurer by September 18, 2020. The final audit report is due on Friday, October 2, 2020. The Offeror shall present the final audit report to the WVRIFA's Board of Directors meeting on October 23, 2020.

Draft reports may be submitted earlier than the above schedule. However, if the Offeror fails to make delivery of the audit reports within the time schedule specified herein, or if the Offeror delivers audit reports which do not conform to all of the provisions of this contract, the WVRIFA may, by written notice of default to the Offeror, terminate the whole or any part of this contract. Under certain extenuating circumstances the contracting agent may extend this schedule upon written request of the Offeror with sufficient justification.

E. Price

The Offeror's proposed price should be submitted. Include information indicating how the price was determined. For example, the Offeror should indicate the estimated number of hours by staff level, hourly rates, and total cost by staff level of the audit. Any out-of-pocket expenses should also be indicated.

F. Payment

Payment will be made when the WVRIFA has determined that the total work effort has been satisfactorily completed. Should the WVRIFA reject a report, the WVRIFA's authorized representatives will notify the Offeror in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Offeror submits the final invoice for payment.

Upon delivery of the final report to the WVRIFA and acceptance and approval, the Offeror may submit bills for the balance due on the contract for the audit.

G. Audit Review

All audit reports prepared under this contract will be reviewed by the WVRIFA and their funding sources to ensure compliance with Government Accountability Office's (GAO) Government Audit Standards - Standards for Audit of Governmental Organizations, Programs, Activities, and Functions and other appropriate audit guides.

H. Exit Conference

An exit conference with the WVRIFA's representatives and the Offeror's representatives will be held at the conclusion of the field work. Observations and recommendations must be summarized in writing and discussed with the WVRIFA. It should include internal control and program compliance observations and recommendations.

I. Work Papers

1. Upon request, the Offeror will provide a copy of the work papers pertaining to any questioned costs determined in the audit. The work papers must be concise and provide the basis for the questioned costs as well as an analysis of the problem.
2. The work papers will be retained for at least five years from the end of the audit period.
3. The work papers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accountability Office and the WVRIFA.

J. Confidentiality

The Offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to the WVRIFA, the Offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the Offeror's possession, to these employees on the Offeror's staff who must have the information on a "need-to-know" basis. The Offeror agrees to immediately notify, in writing, the WVRIFA authorized representatives in the event the Offeror determines or has reason to suspect a breach of this requirement.

K. AICPA Professional Standards

The AICPA Professional Standards state: *"Government Audits 1.400.055" Engagements for audits of government grants, government units or other recipients of government monies typically require that such audits be in compliance with government audit standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards. If a member accepts such an engagement, and undertakes an obligation to follow specified government audit standards, guides, procedures, statutes, rules and regulations, the member is obligated to follow such requirements in addition to generally accepted auditing standard. Failure to do so is a violation of the "Acts Discreditable Rule" [1.400.001] unless the member discloses in his or her report that such requirements were not followed and the applicable reasons for not following the requirements.*

III. OFFEROR'S TECHNICAL QUALIFICATIONS

The Offeror, in their quote, shall, as a minimum, **include the following:**

A. Prior Auditing Experience

The Offeror should describe its prior auditing experience including the names, email addresses, contact persons, and telephone numbers of prior organizations audited. Experience should include the following categories:

1. Prior experience auditing Industrial Facility Authorities
2. Prior experience auditing similar programs funded by the Commonwealth of Virginia
3. Prior experience auditing programs financed by the Federal Government
4. Prior experience auditing similar county or local government activities
5. Demonstrated ability in completing audits accurately and promptly

B. Organization, Size, and Structure

The Offeror should describe its organization, its size and structure. Indicate if appropriate, if the firm is a small or minority-owned business. Offeror should include a copy of the most recent Peer Review, if the Offeror has had a Peer Review.

C. Staff Qualifications

The Offeror should describe the qualifications of staff to be assigned to the audits. Descriptions should include:

1. Audit team makeup
2. Overall supervision to be exercised
3. Prior experience of the individual audit team members

D. Understanding of Work to be Performed and Tentative Audit Schedule

The Offeror should describe its understanding of work to be performed, including audit procedures, estimated hours, tentative audit schedule and other pertinent information.

E. Certifications

The Offeror must sign and include as an attachment to its quote the Certifications enclosed with this RFQ. The publications listed in the Certifications will not be provided to potential Offerors by the Western Virginia Regional Industrial Facility Authority because the Western Virginia Regional Industrial Facility Authority desires to contract only with an Offeror who is already familiar with these publications.

IV. QUOTE SUBMISSION

A. Submission of Quote

All quotes shall include four copies of the Offeror's Technical Qualifications, the signed Certifications and the pricing information. Additionally, a USB flash drive with an electronic version of the submission must be included with the paper copies. These documents combined with the RFQ will become part of the contract.

B. Non-Responsive Quotes

Quotes may be judged non-responsive and removed from further consideration if any of the following occur:

1. The quote is not received timely in accordance with the terms of this RFQ
2. The quote does not follow the specified format
3. The quote does not include the Certifications

C. Review Process

The WVRIFA may, at its discretion, request presentations by or meetings with any or all Offerors, to clarify or negotiate modifications to the Offerors' quotes.

However, the WVRIFA reserves the right to make an award without further discussion of the quotes submitted. Therefore, quotes should be submitted initially on the most favorable terms, from both technical and price standpoints, which the Offeror can propose.

The WVRIFA contemplates award of the contract to the responsible Offeror with the highest total points.

V. CERTIFICATIONS

ON BEHALF OF THE OFFEROR:

- A. The individual signing certifies that he/she is authorized to contract on behalf of the Offeror.
- B. The individual signing certifies that the Offeror is not involved in an agreement to pay money or other consideration for the execution of this agreement, other than to an employee of the Offeror.
- C. The individual signing certifies that the prices in this quote have been arrived at independently without consultation, communication, or agreement, for the purpose of restricting competition.
- D. The individual signing certifies that the prices quoted have not been knowingly disclosed by the Offeror prior to an award to other Offeror or potential Offeror.
- E. The individual signing certifies that there has been no attempt by the Offeror to discourage any potential Offeror from submitting a proposal.

- F. The individual signing certifies that the Offeror is a properly licensed certified public accountant, or a public account licensed on or before July 1, 2013.
- G. The individual signing certifies that the Offeror meets the independent standards of the Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (2011 Revision).
- H. The individual signing certifies that he/she is aware of and will comply with the GAO Continuing Education Requirement of 80 hours of continuing professional education every two years; and that 24 hours of the 80 hours education will be in subjects directly related to the government environment and government auditing.
- I. The individual signing certifies that he/she is aware of and will comply with the GAO requirement of an external quality control (peer) review at least once every three years.
- J. The individual signing certifies that he/she has read and understands the following publications relative to the proposed audits:
 - 1. Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (2011 Revision) (Yellow Book)
 - 2. Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) (2 CFR 200) (2015)
 - 3. Specifications for Audits of Authorities, Boards, and Commissions by the Auditor of Public Accounts of the Commonwealth of Virginia
- K. The individual signing certifies that he/she has read and understands all of the information in this request for quote, including the information on the programs/grants/contracts to be audited.
- L. The individual signing certifies that the Offeror and any individuals to be assigned to the audits do not have a record of substandard audit work. (If the Offeror or any individual to be assigned to the audits has been found in violation of any state and AICPA professional standards, this information must be disclosed.)

Dated this _____ day of _____, 20_____

Offeror's Firm Name _____

Signature of Offeror's Representative _____

Printed Name and Title of Individual Signing _____

Attachment 1

WVRIFA	
Woodhaven Participation Committee	
FY 20 Budget	
Woodhaven Revenue	
Bond Revenue from FY17	\$ 3,853,763.33
GO VA Grant	\$ 123,687.00
LGIP Interest	\$ 75,000.00
Total Revenue	\$ 4,052,450.33
Woodhaven Expenses	
Legal Fees Land Acquisition	\$ 5,000.00
General Legal	\$ 5,000.00
Engineering Fees	\$ 50,000.00
Property Maintenance	\$ 5,000.00
Structure Demo	\$ 50,000.00
Insurance on Property	\$ 950.00
Bank Service Charges	\$ 200.00
Professional Assistance	\$ 2,250.00
Utility Relocation	\$ 50,000.00
Entrance Road Construction	\$ 191,750.00
Marketing	\$ 5,000.00
Utility Extension	\$ 325,000.00
Total Expenses	\$ 690,150.00
Reserve Funds	\$ 3,362,300.33

WVRIFA	
Operating	
FY 20 Budget	
Locality Dues	
Botetourt County	\$ 6,072.59
Franklin County	\$ 10,241.82
Roanoke City	\$ 18,191.90
Roanoke County	\$ 15,599.36
Salem	\$ 4,675.80
Vinton	\$ 1,468.53
FY19 & Prior Reserve	\$ 60,400.00
Total Revenue	\$ 116,650.00
Operating Expenses	
Accounting (Audit) Fee	\$ 7,100.00
Legal Fees	\$ 2,500.00
Insurance	\$ 674.00
Rke Regional Partnership	\$ 25,000.00
RVARC staff	\$ 25,000.00
Supplies	\$ 375.00
Technical Assistance	\$ 601.00
Total Expenses	\$ 61,250.00
Reserve Funds	\$ 55,400.00

WVRIFA	
Woodhaven Participation Cor	
Debt	
FY 20 Budget	
Bond Interest Revenue	
City of Roanoke	\$ 163,540.00
Roanoke County	\$ 163,540.00
City of Salem	\$ 42,920.00
Total Revenue	\$ 370,000.00
Bond Interest Expense	
Bond Interest Expense	\$ 370,000.00
Total Expense	\$ 370,000.00
Reserve Funds	\$ -