

COUNTY OF YORK, VIRGINIA
REQUEST FOR PROPOSALS

Issue Date: January 21, 2014

RFP #: 1899

Title: Financial and Compliance Audit Services: Annual Contract

Classification Code: 94620

Issuing Agency: County of York, Virginia
Central Purchasing
120 Alexander Hamilton Blvd.
P.O. Box 532
Yorktown, Virginia 23690-0532

Using Agency And/Or Location
Where Work Will Be Performed: Financial & Management Services
Division of Budget & Financial Reporting
120 Alexander Hamilton Blvd.
Yorktown, Virginia 23690-0532

Sealed Proposals Will Be Received Until **4:00 p.m. on Tuesday, February 25, 2014**

NOTE: One (1) original and Seven (7) copies of your Proposal will be required.

An **Optional** Pre-proposal Conference will be held on Monday, February 10, 2014. See Section 8.0.

All Inquiries For Information Should Be Directed To: Denise Weston, CPPB, Senior Buyer, Telephone: (757) 890-3680, or denise.weston@yorkcounty.gov

SEND SEALED PROPOSALS DIRECTLY TO THE ISSUING AGENCY SHOWN ABOVE

In Compliance With This Request For Proposal, The Undersigned Offers To Provide The Requested Service(s) Shown in the Attached/Enclosed (A signed Letter of Transmittal may be substituted for this cover page).

Name and Address of Firm:

Date: _____

By: _____

Signature in ink

Title: _____

_____ Zip Code

Telephone No.: () _____

Federal Tax ID: _____

FAX No.: () _____

1.0 PURPOSE

The Board of Supervisors of the County of York, Virginia (hereinafter called the "County") is soliciting proposals from licensed, qualified firms of independent certified public accountants (hereinafter called the "Offeror", or "Auditor") to perform a financial and compliance audit of the County, the County School Board of York County, Virginia (hereinafter called the "School Board", or "School Division"), the Economic Development Authority of York County, Virginia (hereinafter called the "EDA") and the Marquis Community Development Authority (hereinafter called the "CDA"), and to perform additional accounting procedures as set forth in Section 15.0.

2.0 CONTRACT TERM

- a) The resulting Contract will be for a fixed term of one (1) year, with options to renew annually for four (4) additional one-year terms. The first year of the Contract will be for the fiscal year ending June 30, 2014.
- b) Payments for each renewal period that the Contract shall remain in full force and effect beyond fiscal 2014 shall be made subject to appropriation of funds for that fiscal year.

3.0 SCOPE OF WORK TO BE PERFORMED

- a) Financial Statements

The Auditor shall audit all funds of the County and its component units in accordance with auditing standards generally accepted in the United States of America, which shall include as and where applicable:

- i) Specifications for Audits of Counties, Cities and Towns issued by the Auditor of Public Accounts (APA);
- ii) Statements on Auditing Standards issued by the American Institute of Certified Public Accountants (AICPA);
- iii) Government Auditing Standards (GAS) issued by the Comptroller General of the United States;
- iv) U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

The audit shall result in the Auditor's opinions on the financial statements, the County's compliance and internal control over financial reporting in accordance with GAS, the County's compliance with OMB Circular A-133, and the County's compliance with Virginia's Laws, Regulations, Contracts and Grants. The County will prepare the financial statements from the audited records with the Auditor's opinions thereon. The

Auditor's opinions shall be unqualified unless the Auditor furnishes the County, on a timely basis, the reasons for qualifying the opinion, disclaiming an opinion, or rendering an adverse opinion.

b) Supplementary Information and Statistical Section

The Auditor shall apply procedures and report on the required and other supplementary schedules included in the Comprehensive Annual Financial Report (CAFR), including the analysis of funding progress for pension plan, and the schedule of federal assistance, as well as, any future required schedules. The Auditor is not required to apply audit procedures and report on the statistical tables included in the statistical section of the CAFR.

c) Internal Controls

In connection with the audit of the financial statements, the Auditor shall consider, test, and report on internal controls in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, issued by the U.S. Office of Management and Budget, and Specifications for Audits of Counties, Cities and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia. The County reserves the right to request additional internal control test work as deemed necessary.

d) Compliance

In connection with the audit of the financial statements, the Auditor shall perform tests and report on compliance in accordance with Government Auditing Standards, OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the Specifications for Audits of Counties, Cities and Towns.

e) Component Units

The County has identified the School Division, the EDA and the CDA as component units requiring inclusion in the County's financial statements.

f) Comparative Report Transmittal Forms

i) The Auditor of Public Accounts requires all local governments to complete Comparative Report Transmittal Forms in accordance with the provisions of the Uniform Financial Reporting Manual.

ii) The County shall prepare the required forms for submission to the Auditor. The

Auditor shall perform the agreed-upon procedures specified in the Uniform Financial Reporting Manual and prepare the report on those procedures within five days of receiving such forms from the County.

g) Continuing Professional Education (CPE)

The Auditor shall provide 8 hours of CPE training annually to include the 2 hours of ethics required by the Board of Accountancy.

4.0 SPECIFICATIONS

a) Meeting and Report Preparation

i) Scheduling and Procedures:

(1) Prior to the beginning of each audit, the Auditor shall develop a time schedule and procedures to be observed from the commencement of field work to the publication of the Comprehensive Annual Financial Report. The Commonwealth of Virginia imposes a November 30th deadline for publication of the report.

ii) Meetings:

(1) The selected Auditor shall schedule conferences between the Auditor and the appropriate level of management of the County and School Division, EDA and CDA before the preliminary work and throughout fieldwork. The purpose of these meetings is to keep management fully informed on the scope and progress of the audit. A draft of the final report shall be furnished to management for its comments prior to issuing the final report. In addition, all audit findings and recommendations should be discussed prior to the issuance of management letters and reports.

iii) Working Papers:

(1) The Auditor hereby agrees to retain all books, records and other working papers relative to this contract for 5 years after final payment. The County, School Division, EDA and CDA its authorized agents, and/or state and federal Auditors shall have full access to and the right to examine any of said materials during said period. Upon completion of the audit, the Auditor will be required to furnish the County with a copy of all adjusting and reclassifying entries using County of York account numbers.

5.0 ASSISTANCE IN IMPLEMENTING GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENTS

- a) The Auditor shall assist the County in implementing all Government Accounting Standards Board (GASB) accounting and reporting standards which become effective during the term of the contract and are applicable to the County, the School Division, the EDA and the CDA.

6.0 REQUIRED REPORTS

- a) Based on the audit work performed, the Auditor shall include the following reports in the CAFR unless otherwise indicated:
 - i) An opinion on the fair presentation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America.
 - ii) An opinion on the fair presentation of the other supplementary information and the schedule of expenditures of federal awards in conformity with accounting principles generally accepted in the United States of America. The Auditor shall prepare a disclaimer of opinion related to the statistical section included in the CAFR.
 - iii) A report on compliance and on internal control over financial reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards and the Specifications for Audit of Counties, Cities and Towns. The Auditor shall communicate all instances of noncompliance that could have a material effect on the financial statements in the report. The Auditor shall communicate all reportable conditions and material weaknesses in internal controls not meeting the definition of a reportable condition in a separate letter to management referred to in the report on internal controls.
 - iv) A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133. The Auditor shall report all instances of noncompliance with the specific requirements for major federal program in the report on compliance and in the Schedule of Findings and Questioned Costs. The Auditor shall communicate all reportable conditions affecting major federal programs in the report. Further, the Auditor shall identify any material weaknesses in the report. Any finding or weaknesses shall be reported immediately to the appropriate level of management.
 - v) A report on compliance with the Commonwealth of Virginia laws, regulations, contracts and grants.

- vi) A report on the application of agreed-upon procedures relative to the Comparative Report Transmittal Forms. This report shall be forwarded to the County for submission with the forms to the Auditor of Public Accounts by November 30th.
 - vii) A report on the Sheriff's compliance with the Virginia Accounting Sheriff's Manual and the Code of Virginia. This report shall be forwarded to the County for submission to the Auditor of Public Accounts by November 30th.
 - viii) The Auditor shall make an immediate, written report to the appropriate level of management of all management letter comments of which they become aware.
 - ix) The Data Collection Form.
 - x) CPA Certificate of No Default Letters as required by debt covenants.
 - xi) Perform the required audit of the Circuit Court Clerk as specified in the Auditor of Public Accounts, Chapter 6, Specifications of Audit of Counties, Cities, and Towns, and complete the Reporting Requirements by March 31st each year.
 - xii) Any report that may become required over the period of this contract, in accordance with Specifications for Audits of Counties, Cities and Towns, Government Auditing Standards, (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and Statements on Auditing Standards.
- b) Draft Reports
- i) The Auditor shall have drafts of the Auditor's reports, comments on the financial statements and recommendations to management available for review by the appropriate level of management in a timely manner to meet the November 30th deadline for CAFR publication. Any findings to be reported in accordance with Section 6.0 a), paragraphs (iv) and (v) above shall be available for review by the appropriate level of management by the same date.
- c) Preparation and Presentation
- i) The County shall be responsible for financial statement preparation, editing and printing and will have the copies completed by the second Tuesday in November of each year. The Auditor shall present the Comprehensive Annual Financial Report to the York County Board of Supervisors at a public session before November 30th of each year as required by Section 15.2-2511 of the Code of Virginia.

- ii) The County will submit its CAFR to the Government Finance Officers Association (GFOA) of the United States for review in its certificate of achievement program.
- iii) The County shall be responsible for submitting the CAFR and Management Letter to the Auditor of Public Accounts by November 30th of each year in accordance with Section 15.2-2510 of the Code of Virginia.
- d) Submission of Reports to Federal and State Agencies
 - i) The County shall be responsible for submitting the CAFR to appropriate state and federal agencies.
- e) Submission of Transmittal Forms to the APA
 - i) The County shall submit the Comparative Report Transmittal Forms and required Agreed-Upon Procedures Reports to the Auditor of Public Accounts by November 30th of each year.

7.0 ASSISTANCE TO BE PROVIDED TO AUDITOR

- a) Books of Account
 - i) The County shall fully balance the books of account, reconcile subsidiary ledgers to control accounts, and reconcile all bank accounts within 90 days of each fiscal year end.

- b) Schedules

The staff of the County shall prepare the following information:

- (1) A final trial balance of each fund;
- (2) A final trial balance of each subsidiary ledger;
- (3) A schedule of federal expenditures by program;
- (4) The final budget approved by the Board of Supervisors for the audit period, the original budget resolution for the audit period, and all subsequent amendments to the budget resolution;
- (5) A schedule of investments held by all funds showing both book value and estimated market value at the statement date;
- (6) A schedule of capital outlays during the period;
- (7) A schedule of capital asset dispositions during the period;
- (8) A schedule of accounts payable at the statement date;
- (9) Copies of grant agreements with governmental grantor or grantee agencies;
- (10) Copies of other significant contracts in force at statement date;
- (11) Such reasonable additional schedules as may be requested; and

(12) Comparative Report Transmittal Forms completed in accordance with the requirements of the Uniform Financial Reporting Manual issued by the Auditor of Public Accounts.

c) Other Assistance

i) The staff of the County and responsible management personnel shall be available during the audit to assist the Auditor by providing information and explanations.

ii) The County will provide access to all appropriate files and records of the County departments.

iii) Working space with telephone and internet will be available for use by the Auditing Staff at County offices.

8.0 PRE-PROPOSAL CONFERENCE

a) An optional pre-proposal conference will be held at 2:00 p.m. on, February 10, 2014 in the Financial & Management Services Conference Room, 120 Alexander Hamilton Boulevard, Yorktown, VA to allow potential Offerors an opportunity to present questions and obtain clarification about the Request for Proposal.

b) General background information on the government and its operations also will be discussed at this time. While attendance at this conference is not a prerequisite to submitting a proposal, Auditors who intend to submit proposals are encouraged to attend.

9.0 PROPOSAL PREPARATION AND SUBMISSION

a) Proposals should be as thorough and detailed as possible so that the County may properly evaluate the Auditor's ability to provide the required services. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.

b) Contents of the Proposal:

i) The Auditor is required to submit the following items as a complete proposal:

(1) A title page which,

shows the RFP subject, the name of the Offeror's firm, local address, email address, telephone number, name of contact person and date.

(2) Letter of Transmittal that includes the items listed below:

- (a) History of the firm, including the number of years in business and size of firm.
- (b) A statement by the prospective Auditor of the understanding of the work to be performed with descriptions of the audit approach and illustrations of the procedures to be employed.
- (c) The approximate date the audit will begin (including preliminary fieldwork) and end, and also, the approximate dates for delivery of the financial statements and Auditor's reports.
- (d) Biographies, including experience, of the individuals who will be assigned to the engagement, relevant experience of each in auditing municipalities, with emphasis of audits of local governments in Virginia, and recent continuing professional education of each. Resumes can be included and are strongly encouraged.
- (e) Names, addresses, and telephone numbers and email addresses of persons who may be contacted for reference.
- (f) A copy of the report on the firm's most recent peer review.
- (g) A statement by the prospective Auditor that:
 - (1) The firm is independent of the County of York as that term is defined in the Ethical Rules of the AICPA.
 - (2) The firm and the partner assigned to the engagement are licensed to perform the audit as provided by applicable laws of the Commonwealth of Virginia.
 - (3) The firm has met the peer review standards of the AICPA and Government Auditing Standards.
 - (4) The firm will provide adequate supervision on a day-to-day basis.
 - (5) Staff assigned to the audit has met the continuing education requirements required by Government Auditing Standards, issued by the Comptroller General of the United States.

10.0 RIGHT TO REJECT PROPOSALS

Proposals shall be signed by an authorized representative of the firm. All information requested must be submitted. Failure to submit all requested information may result in the rejection of the proposal.

11.0 DEADLINE FOR SUBMISSION

To be considered for selection, the Offeror shall submit a complete response to the Request for Proposal. One (1) original and seven (7) copies of each proposal shall be submitted to the County. Copies of the proposal should be forwarded to Denise Weston, CPPB, Senior Buyer, P.O. Box 532, 120 Alexander Hamilton Boulevard, Yorktown, VA 23690-0532 no later than 4:00 p.m. on Tuesday, February 25, 2014. The proposal should clearly be marked "Request for Proposal (RFP) No. 1899 - Audit Services."

12.0 EVALUATION AND AWARD CRITERIA

- a) Proposals submitted will be evaluated by the County's Audit Evaluation Committee.
- b) Evaluation criteria shall include the following:
 - (1) The specific plans or methodology to be used in performing the audit (i.e. the audit approach).
 - (2) The skill, experience and training of the specified persons who will be performing the services requested.
 - (3) The prior experience and reputation of the Offeror in auditing other Virginia local governments similar to the County.
 - (4) References from other local governments or clients.
 - (5) Stated ability to complete the audit and submit the financial statements and Auditor's reports to the Auditor of Public Accounts by the required deadline.

13.0 AWARD OF CONTRACT

- a) Two or more Offerors deemed to be fully qualified and best suited among those submitting proposals will be identified on the basis of the evaluation factors stated in the Request for Proposal.
- b) Repetitive informal interviews shall be permissible wherein Offerors are encouraged to elaborate on their qualifications, performance data, staff expertise pertinent to the proposed services, as well as alternate concepts.
- c) At the conclusion of discussions outlined above, on the basis of evaluation factors published in this RFP and all information developed in the selection process to this point, the Evaluation Committee shall select, in the order of preference, two or more Offerors whose professional qualifications and proposed services are deemed most meritorious.
- d) Negotiations will then be conducted beginning with the Offeror ranked first. If a contract which is satisfactory and advantageous to the public body can be negotiated at a price considered fair and reasonable, the award will be made to that Offeror. Otherwise, negotiations with the Offeror ranked first will be formally terminated and negotiations

conducted with the Offeror ranked second, and so on until a contract can be negotiated at a fair and reasonable price.

- e) Should the Evaluation Committee 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. (Code of Virginia, 2.2-4301.) At any time during the negotiations, the Purchasing Office may terminate all negotiations and re-advertise the requirement.

14.0 PAYMENT TERMS

- a) Interim billings shall be in equal installments of 1/3 the total fee for each fiscal year and shall be submitted no more than three (3) times during the audit period covered (e.g. July 15th, Sept. 15th and final payment). Final payment shall be made upon acceptance of the report by the Board of Supervisors and receipt of all other reports and letters outlined in this document. A fee schedule shall be negotiated with the Auditor.
- b) Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than is necessary under ordinary circumstances, the Auditor shall inform the appropriate level of management in writing of the need for such additional investigation and the mutually agreed upon additional compensation to complete the investigation, prior to the commencement of any such work.
- c) Payment by the County and the EDA to the Auditor shall be made by ACH (Automatic Clearing House) credit to the Auditor's bank account. The Auditor shall complete a Vendor Direct Deposit Authorization Agreement Form and return it with the signed Contract documents to the County following Notice of Award. The Vendor Direct Deposit Authorization Form is available online at the following URL: <http://www.yorkcounty.gov/Portals/0/fms/Vendor%20Direct%20Deposit%20Authorization%20Form.pdf>
- d) The School Board and the (CDA) shall make payments to the Auditor by check.

15.0 CURRENT FUNDS OF THE COUNTY, ADDITIONAL ACCOUNTING AND REQUIRED PROCEDURES

- a) The County currently uses the following fund types in their financial reporting:

<u>TYPE</u>	<u>NO. OF INDIVIDUAL FUNDS</u>
General Fund	1
Capital Project Funds	3

Yorktown Capital Improvements Fund	
County Capital Fund	
Stormwater Capital Fund	
Debt Service Funds	2
Education Debt Service Fund	
County Debt Service Fund	
Enterprise Funds	8
Regional Radio System Fund	
Sanitary District #2	
Water Utility Fund	
Solid Waste Fund	
Upper County Utility Fund	
York Sanitary District Fund	
Yorktown Operations Fund	
Sewer Utility Fund	
Internal Service Funds	2
Other Post-Employment Benefits Fund	
Vehicle Maintenance Fund	
Discretely Presented Component Units	3
Community Development Authority	
Economic Development Authority	
School Division	
Special Revenue Funds	5
Tourism Fund	
Community Development Rev Act Fund	
Law Library Fund	
Virginia Public Assistance Fund	
The Children and Family Services Fund	
Agency Funds	7
Library Donations Fund	
Darby-Firby Neighborhood Corporation	
Peninsula Public Sports Facility	
Regional Projects	
Special Welfare Fund	
Colonial Group Home Commission	
Colonial Behavioral Health	

b) Additional Accounting Procedures

- i) The County is required to demonstrate financial responsibility for post-closure care arising from operating a municipal solid waste landfill and transfer station. The Auditor will prepare and evaluate the computation of excess of revenues over expenditures for the landfill and transfer station in accordance with the Federal Register (40 CFR Part 258, Subpart G) Criteria for Municipal Solid Waste Landfills – Financial Assurance Criteria.
 - ii) The County has identified the EDA as a component unit requiring inclusion in the County's financial statements. The Auditor shall conduct a separate audit and issue a separate opinion on the Authority in accordance with auditing standards generally accepted in the United States of America and Specifications for Audits of Authorities, Boards and Commissions, issued by the Auditor of Public Accounts by September 30th each year, as required by the Code of Virginia.
 - iii) The County has identified the CDA as a component unit requiring inclusion in the County's financial statements. The Auditor shall conduct a separate audit and issue a separate opinion on the Authority in accordance with auditing standards generally accepted in the United States of America and Specifications for Audits of Authorities, Boards and Commissions, issued by the Auditor of Public Accounts by September 30th each year, as required by the Code of Virginia.
- c) Additional Required Procedures
- i) The School Division prepares a separate financial report for its operations. The School Board sends a copy of its CAFR to the GFOA and Association of School Board Officials (ASBO) for review in the Certificate of Achievement Program and the Certificate for Excellence Program, respectively. A copy is also forwarded to the State Auditor of Public Accounts. The Auditor would be responsible for report preparation, editing and printing of this report. The Auditor would also be responsible for addressing in the report any comments noted by the GFOA and ASBO awards programs. The Auditors will also present the School Division CAFR to the School Board at a public School Board meeting by December 31st each year, as required by the Code of Virginia.

16.0 GENERAL TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

- a) APPLICABLE POLICY:
This solicitation is subject to the provisions of the County of York, Virginia, Procurement Policy, Ordinance No. 12-13 (R), and any revisions thereto.
- b) SUBMISSION OF PROPOSAL:
Failure to submit a proposal in accordance with the requirements set forth in this solicitation may be cause for rejection of the proposal. The County reserves the right to

decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

c) CLARIFICATION OF TERMS:

If any prospective Offeror has questions about the terms contained in the solicitation documents, the prospective Offeror should contact the individual named on page (1), no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum by the County.

d) APPLICABLE LAWS AND COURTS:

This solicitation and the resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Auditor shall comply with applicable federal, state, and local laws and regulations.

e) LATE PROPOSALS:

Late proposals will be returned to the Offeror UNOPENED if a return address is shown.

f) ETHICS IN PUBLIC CONTRACTING:

By submitting its proposal, the Auditor certifies that its bids or proposals are made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with its bid or proposal, and that 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.

g) IMMIGRATION REFORM AND CONTROL ACT OF 1986:

By submitting its proposal, the Auditor certifies that it does not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

h) QUALIFICATIONS OF PROSPECTIVE OFFERORS:

The County may make such reasonable investigations as it deems proper and necessary to determine the ability of the firm proposing to perform the work. The County reserves the right to reject any proposal if the evidence submitted by the firm, or investigations of the firm, fail to satisfy the County that the firm is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

i) CHANGES TO THE CONTRACT:

The County may order changes within the general scope of the Contract at any time by written notice to the Auditor. The Auditor shall be compensated for any additional costs

incurred as a result of such order. Said compensation shall be determined by mutual agreement between the parties in writing.

j) DEFAULT:

In case of failure to deliver services in accordance with the Contract terms and conditions, the County, after due oral or written notice, may procure them from other sources and hold the Auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies that the County may have.

k) CANCELING OR AMENDING A SOLICITATION:

The County may cancel or withdraw a solicitation in whole or in part and reject any and all proposals at any time prior to an award. The County also may amend the solicitation by the issuance of an addendum prior to the time set for receipt of response.

l) CLAIMS:

Contractual claims for money or other relief shall be submitted in writing no later than sixty days after final payment; however, written notice of the Auditor's intention to file such claim must be given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein shall preclude a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work. Precedence of claims shall not delay payment of amounts agreed due in the final payment.

m) PROTEST OF AWARD OR DECISION TO AWARD:

Any Auditor submitting a proposal in response to this solicitation may protest the award or decision to award a contract by submitting such protest in writing to the Purchasing Office no later than ten days after public notice of the award or announcement of the decision to award, whichever occurs first. No protest shall lie for a claim that the selected Auditor is not responsible. The written protest shall include the basis for the protest and the relief sought. The County shall issue a decision, in writing, stating the action taken on the protest, and such a decision shall be the final decision of the County.

n) CONTRACTUAL DISPUTES:

Contractual claims, whether for money or other relief, shall be submitted to the Purchasing Office in writing no later than sixty (60) days, after final payment; however, written notice of the Auditor's intention to file a claim for compensation above that required by the contract shall be given at the time of occurrence or beginning of work upon which the claim is based. If such notice is not given, any claim for additional compensation or time extension arising from or related to such occurrence or work shall conclusively be deemed waived. The Auditor shall continue performance during the pendency of any claim or dispute and following any decision thereon. The Purchasing Official shall render a final decision on any claim within sixty (60) days of its submission or within one hundred twenty (120) days after final payment, whichever is later. Failure by the Purchasing Official to render a decision shall be deemed a denial of the claim as of

the latest date a response was required.

o) ANTI-TRUST:

By entering into a Contract, the Offeror conveys, sells, assigns, and transfers to the County all rights, title and interest in and to all causes of the action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the County under said Contract.

p) ANTI-DISCRIMINATION:

By submitting its bids or proposals, the Offeror certifies to the County that it will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Act of 1975, as amended, and Section 2.2-4311 of the Virginia Public Procurement Act which provides:

In every contract over \$10,000, the provisions of a. and b. below apply:

a. During the performance of this Contract, the Auditor agrees as follows:

The Auditor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, age, disability, status as a service disabled veteran, or any 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 Auditor. The Auditor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

Auditor, in all solicitations for advertisements for employees placed in behalf of Auditor, will state that Auditor is an equal opportunity employer.

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.

During the performance of this Contract, the Auditor agrees to (i) provide a drug-free workplace for the Auditor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Auditor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Auditor that the Auditor maintains a drug-free workplace; and (iv) include the provisions of the

foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

- b. Auditor will include the provisions of a. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- c. In accordance with §2.2-4343.1 of the Code of Virginia, et. seq., the County shall not (i) discriminate against a faith-based organization as defined in Code of Virginia section 2.2-4343.1(B) on the basis of the organization's religious character or (ii) impose conditions that (a) restrict the religious character of the faith-based organization, except as provided in subsection F of section 2.2-4343.1 the Code of Virginia, or (b) impair, diminish, or discourage the exercise of religious freedom by the recipients of such goods, services, or disbursements.
- q) **SCC REGISTRATION REQUIRED:**
If Auditor is organized as a stock or nonstock corporation, a limited liability company, a business trust, or a limited partnership, or is registered as a registered limited liability partnership, Auditor must 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. If Auditor allows its existence to lapse, or its certificate of authority or registration to transact business in the Commonwealth of Virginia to expire, or be revoked or cancelled, such will deemed an act of default enabling County to all remedies for default, including but not limited to revocation of this contract/agreement.

State Corporation Commission (SCC) Number _____

17.0 **SPECIAL TERMS AND CONDITIONS**

- a) **AVAILABILITY OF FUNDS:**
It is understood and agreed between the parties herein that the County shall be bound hereunder only to the extent of the funds available or which may hereafter become available and properly appropriated for the purpose of this agreement.
- b) **CANCELLATION OF CONTRACT:**
The County reserves the right to cancel and terminate the resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Auditor. Any contract cancellation notice shall not relieve the Auditor of the obligation to complete an audit commenced before the effective date of the cancellation.

c) EXTENSION OF CONTRACT:

The contract to be awarded may be extended upon written agreement of both parties for up to four (4) additional one-year terms under the terms of the Contract; such agreement to be extended ninety days prior to the expiration of the contract.

d) FILING REQUIREMENTS:

Offerors are reminded that the audit contract will be filed with the Auditor of Public Accounts, Commonwealth of Virginia.

e) SUBCONTRACTS:

No portion of this work shall be subcontracted without prior written consent of the County. The Auditor shall, however, remain fully liable and responsible for the work to be done by the subcontractor(s) and shall assure compliance with all requirements of the contract.

f) CRIMINAL BACKGROUND CHECKS OF PERSONNEL ASSIGNED BY AUDITOR TO PERFORM WORK ON COUNTY PROPERTY:

The Auditor may be required to obtain criminal background checks on all their employees who will be assigned to perform work on County and or School Property.

g) SENSITIVE INFORMATION HANDLING:

Any information in the possession of the County, School Board, EDA or CDA which is specific to a student, citizen, county/school business function, private business entity /or other government entity which is not generally available to the public shall be designated Sensitive Information. Auditors will under no circumstances remove Sensitive Information from County facilities. Any Sensitive Information which must reside temporarily on a hard drive or portable storage device (USB Key, CD ROM, Memory card, etc.) for processing must remain within the County/School facility. No Sensitive Information may be remotely accessed by dial in, VPA, web interface or other means without express consent of the County/Schools. All such sensitive information shall be deemed confidential, and the Auditor shall take all steps necessary to prevent disclosure of sensitive information to any Third Party unless authorized by the County, the School Board, the EDA or the CDA, as the case may be.

Attachment A

STATEMENT OF DISCLAIMER

This is to certify that no employee, official or elected officer of the County of York, Virginia, the County School Board of the County of York, Virginia, the Economic Development Authority of York County, VA, and the Marquis Community Development Authority, has a proprietary interest in the company, corporation, partnership, or other organization, furnishing the goods and/or services, or stands to benefit personally from the furnishing of such goods or services, as referenced above.

FIRM: _____

BY: _____

Attest:

Witness _____

Date: _____ State of __

County of _____ To-wit:

I, the undersigned, a Notary Public in and for the County and State aforesaid, whose commission as such will expire on the _____ day of _____, 20 __, do hereby certify that _whose name(s) is (are) signed to the foregoing Statement bearing date of _____, 20__, this day personally appeared before me in the County and State aforesaid and acknowledged the same before me given under my hand and seal this _____ day of __, 20_____.

SAMPLE CONTRACT
Financial and Compliance Audit Services

Agreement No. _____

This Contract, entered into this ___ day of _____, 2014 by and between _____, hereinafter called the “Auditor,” and the Board of Supervisors of the County of York, Virginia, hereinafter called the “County,” the County School Board of York County, Virginia, (hereinafter called the “School Board” or “School Division”) the Economic Development Authority of York County, Virginia, (hereinafter called “EDA”) and the Marquis Community Development Authority (hereinafter called “CDA”) is as follows:

Article I: Scope of Work

The Auditor shall provide the services outlined in the Contract documents, which shall consist of the County’s Request for Proposals No. 1899 (RFP), dated January 21, 2014, the auditor’s Proposal to Provide Auditing Services, dated _____, 2014, and this contract. The services shall include an audit of the financial statements of the County beginning with Fiscal Year 2014, with the option to renew up to four (4) additional one (1)-year terms, subject to the availability of funds.

Article II: Completion

Both parties agree that time is of the essence in the performance of this Contract. However, unavoidable delays shall not render the Contract invalid or voidable provided the Auditor promptly furnishes the County with the cause thereof and the estimated completion date.

Article III: Payment

The County shall pay the Auditor a fee of _____ dollars (\$_____) in consideration of satisfactory performance of the provisions of this contract as they pertain to Fiscal Year 2014. The fee for Fiscal Years 2014 through 2015 shall be negotiated and approved by the Board of Supervisors prior to any extension of this agreement. Interim billing shall be made in accordance with the agreed upon payment schedule as follows: Billing shall occur no more than three (3) times during the audit period beginning July 15, 2014, as follows:

Payment Date	Amount
July 15	\$
September 15	\$
Final Payment	\$
Total:	\$

Final payment shall be made upon acceptance of the report by the Board of Supervisors of the County of York, Virginia and receipt of all other reports and letters outlined in this document.

All payments by the County to the Auditor shall be made by ACH (Automatic Clearing House) credit to the Auditor's bank account. The Auditor shall complete a Vendor Direct Deposit Authorization Agreement Form and return it to the County with this signed Contract.

The School Board shall pay by check to the Auditor a separate fee of _____ dollars (\$_____) in consideration of satisfactory performance of the preparation of the School Board CAFR.

The EDA shall pay a separate fee by ACH (Automatic Clearing House) of _____ dollars (\$_____) in consideration of satisfactory performance of its separate audit and the preparation of the EDA financial statements.

The CDA shall pay a separate fee by check to the Auditor of _____ dollars (\$_____) in consideration of satisfactory performance of its separate audit and the preparation of the CDA financial statements

Article IV: SCC Registration

If Auditor is organized as a stock or nonstock corporation, a limited liability company, a business trust, or a limited partnership, or is registered as a registered limited liability partnership, Auditor must 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. If Auditor allows its existence to lapse, or its certificate of authority or registration to transact business in the Commonwealth of Virginia to expire, or be revoked or cancelled, such will be deemed an act of default enabling County to all remedies for default, including but not limited to revocation of this contract/agreement.

State Corporation Commission (SCC) Number _____

Article V: Interest of Auditor

There are no other contracts between the parties hereto, and no other contracts relative hereto shall be enforceable unless entered into, in writing, between the parties hereto.

Article VI: Nonassignability

Both parties agree that this contract is for personal services and cannot be transferred or assigned by either party without the prior written consent of the other.

Article VII: Completeness of Contract

This document, executed in duplicate, contains all the terms and conditions of this Contract, and any alterations or variations of the terms of this Contract shall be invalid unless made in writing and signed by the parties. There are no other understandings, representations or agreements, written or oral, not incorporated herein.

Auditor Board of Supervisors of York County
Governing Body

By: _____

By: _____
James O. McReynolds
County Administrator

Approved as to form:

James Barnett, Jr.
County Attorney

By: _____
Dr. Eric S. Williams
School Superintendent

By: _____
James W. Noel, Jr.
Director of the
Economic Development Authority

By: _____
James W. Noel, Jr.
Chairman of the
Marquis Community
Development Authority