

Request for Qualifications

for

Financial and Compliance Audit Services



Audit Committee

**City of Chattanooga, Tennessee
and Related Entities**

August 2020

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**Audit Committee of the City of Chattanooga, Tennessee
Request for Qualifications
Financial and Compliance Audit**

1 Introduction

1.1 Purpose

Pursuant to the Sec. 3.117 (C) of the Charter of the City of Chattanooga and to facilitate compliance with TCA 6-56-105 (a), the Audit Committee of the City of Chattanooga has issued this request for qualifications to independent Certified Public Accountants who are qualified under Tennessee state laws and regulations, for the performance of a financial and compliance audit of the City of Chattanooga (City).

The comprehensive financial and compliance audit shall be of the incorporated City of Chattanooga including all boards, agencies, authorities and component units. Such organizations and/or units will include, **but not be limited to**, the following:

- CDRC (Chattanooga Downtown Redevelopment Corporation)
- EPB (Electric Power Board)
- CARTA (Chattanooga Area Regional Transportation Authority)
- CMAA (Chattanooga Metropolitan Airport Authority)
- Pension Trust Fund composed of separate boards for the General Pension Plan and the Fire and Police Pension Fund.

As specified below, EPB, CMAA, and CARTA each require separate audit reports. Audit reports for EPB, CMAA, and CARTA are anticipated to be obtained in a separate process by each of those entities; reported to the City's Finance Department; and then incorporated within the City's final comprehensive audit produced pursuant to this Request for Qualifications. It is anticipated the respective governing boards for EPB, CMAA, and CARTA will separately issue requests for qualifications/proposals for the audit services for each of those respective entities, and those entities will engage and pay separately for their respective auditing services. As a result, different firms may be conducting the audits of EPB, CMAA, and CARTA.

A separate (limited scope) audit shall be conducted of the IDB (Industrial Development Board of the City of Chattanooga). The City's Finance Department maintains the books and records for the IDB. However, the IDB is not included in the City's CAFR.

All respondents to this RFQ must be capable and willing to perform the audit of the City of Chattanooga including all boards, agencies, authorities and component units; relying on the reports from other CPAs for inclusion of that data related to EPB, CARTA and CMAA. The selected firm will also conduct an audit of the IDB.

The purpose and intent of this Request for Qualifications (RFQ) is to solicit sealed Statements of Qualifications (SOQ) from qualified firms to negotiate a contract for Financial and Compliance Audit services. The audit will be a financial and compliance audit and will be conducted in accordance with Generally Accepted Auditing Standards adopted by the American Institute of Certified Public Accountants, Generally Accepted Government Auditing Standards as promulgated by the Comptroller General of the United States, and the standards prescribed by the Comptroller of the Treasury of the State of Tennessee. Furthermore, the audit will be conducted in accordance with the Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards.

1.2 Background

1.2.1 City of Chattanooga

The City of Chattanooga general fund operates primarily from property taxes levied by the City Council and from state and local taxes apportioned to the City government through various formulas. The City of Chattanooga participates in Federal funding through the Department of Agriculture, the Department of Health and Human Services, the Department of Justice, the Department of Homeland Security, the Environmental Protection Agency, the Department of Energy, the Department of Transportation, the Department of Housing and Urban Development, and other federal and state agencies. The most recent Comprehensive Annual Financial Report (CAFR) can be found on the City of Chattanooga website at <http://www.chattanooga.gov/finance/finance-division/cafr/22-finance/2849-cafr-2019>. Each respondent to this RFQ should become familiar with the CAFR.

The City reported 22 primary funds in the FY2019 CAFR: General Fund (1), Capital Projects Fund (1), special revenue funds (9), Debt Service Fund (1), permanent endowment fund (1), enterprise funds (6), internal service fund (1), fiduciary funds (2). The reported funds are made up of approximately 250 internally managed funds, which can be summarized into three major classifications – governmental, proprietary, and fiduciary. Fiduciary Funds include one Pension Trust Fund (comprised of two pension plans) and one OPEB Trust Fund. Please note the enterprise funds include EPB and the Chattanooga Downtown Redevelopment Corporation (CDRC). The CDRC is a blended component unit that is audited as part of the City. Summary data for EPB must be included in the CAFR. A separate annual audit engagement process is anticipated to be utilized by which EPB's governing board will select an auditor who will provide an opinion, at EPB's expense, on the separately issued statements for EPB.

For the highest level of reporting, the primary government is divided into Governmental Activities, Business-Type Activities, and Component Units. Governmental Activities include the governmental funds restated on an accrual basis and the internal service fund. Business-Type Activities include the enterprise funds. Discretely Presented Component Units include the Chattanooga Area Regional Transportation Authority (CARTA) and the Chattanooga Metropolitan Airport Authority (CMAA). Summary data for CARTA and CMAA must be included in the CAFR. Separate annual audit engagement processes are anticipated to be utilized by which CARTA's and CMAA's governing boards will select

auditors who will provide an opinion, at CARTA's and CMAA's expense, on the separately issued statements for CARTA and CMAA.

The accounting system utilized by the City of Chattanooga is Oracle E-Business Suite covering General Ledger, Cash Management, Inventory, Accounts Payable, Purchasing, Fixed Assets, and Human Resources/Payroll/Benefits. The system complies with the requirements established by the Comptroller of the Treasury, State of Tennessee. Separate systems are utilized by the Fire and Police Pension Fund, EPB, CARTA and CMAA.

The City's accounting structure includes one chart of accounts and six primary segments made up of fund, department, cost center, account, work location, and activity. The parent (primary) fund level is utilized for financial reporting and child (sub-funds) are used for grants, special programs, and projects. The Fire and Police Pension Fund, EPB, CARTA and CMAA each have individual accounting structures for their respective functions.

The City's Finance Department produces CAFR reports in spreadsheet format for all reported funds and associated notes in word document format with the exception of credit rating of investments. The City's Finance Department does not provide the statements nor notes for EPB, CARTA or CMAA. Statements and notes for these entities are incorporated by the auditor from information provided by those entities.

1.2.2 IDB of the City of Chattanooga

The Industrial Development Board of the City of Chattanooga (IDB) is a public corporation formed under the provision of the Tennessee Industrial Development Corporation Act. The IDB performs public functions on behalf of the City; its purpose is to undertake the financing and development of projects to promote industry, trade, commerce, tourism and recreation, and housing construction. The IDB participates in economic development activities by serving as a non-recourse conduit for taxable or tax-free financing for industrial projects.

The IDB is the recipient of state grant revenues as incentives to develop the VW Project Site and expand production. Pursuant to a July 2008 Memorandum of Understanding (MOU), as amended, the IDB was awarded \$170.8 million in grants from the State of Tennessee with an additional \$40 million pledged from local governments. In June 2014 a second MOU was entered into for an additional \$168.9 million from the State and \$52.5 million from local governments. At the end of fiscal year 2019, IDB had spent \$413.4 million of the two MOUs. In addition to the VW incentives, IDB is the conduit for the City's Tax Increment Financing (TIF) and Economic Development Incentive Programs (EDIP). The TIF program has two agreements in place at the end of fiscal year 2019. The EDIP began in 2015, at the end of fiscal year 2019 has cumulative city appropriation of \$694,000 for granting awards to area businesses. Additional programs could be added in the future. The IDB is reported using the accrual basis of accounting and is internally managed by the City's Finance Department in separate funds with separate cost centers to track individual projects. The IDB is not included in the City's CAFR. The firm awarded the City's audit will also separately audit the IDB and separately bill for that audit. The most current audited

financial statements can be viewed at the following link:
https://chattanooga.gov/images/Internal_Audit/IDB2019FS.pdf

1.2.3 CDRC

Chattanooga Downtown Redevelopment Corporation (CDRC) is a non-profit corporation created in 1999 as the Southside Redevelopment Corporation within the meaning of the Convention Center and Tourism Development Financing Act of 1998 as set forth in Title 7 of the Tennessee Code Annotated. The charter was amended in 2002 to become the CDRC to carry out the business of the City of Chattanooga to facilitate redevelopment projects in downtown Chattanooga.

The CDRC is reported as an enterprise fund of the City, a blended component unit, using the accrual basis of accounting. Total net position at the end of fiscal year 2019 was \$5,077,662; there were \$60,435,000 in lease rental revenue bonds outstanding. There is no separately issued external audit report for the CDRC.

1.2.4 EPB

The Electric Power Board was established as the City's electric system in 1935 by Chapter 455 of the Private Acts of the Tennessee General Assembly, as an amendment to the City's state-granted charter, and is now set forth in Title 10 of the City charter inclusive of further amendments since 1935. It began doing business as EPB in 1999. In addition to the Electric System, EPB currently has a Telecom System and a Video & Internet System. Total net position at the end of fiscal year 2019 was \$453,241,000; there were \$246,455,000 in EPB revenue bonds outstanding, payable only from its revenues. EPB maintains its own accounting system (separate from the City's Finance Department). EPB's most recent financial statements may be found at https://chattanooga.gov/images/Internal_Audit/EPB2019FS.pdf. EPB's annual financial audits and/or parts thereof will be provided to the City's Finance Department as necessary for inclusion in the City's CAFR.

1.2.5 CARTA

The Chattanooga Area Regional Transportation Authority was created by City ordinance (Chapter 23 of the City Code) under the City Charter pursuant to TCA 7-56-108. CARTA maintains its own accounting system (separate from the City's Finance Department). CARTA operates a fleet of fixed route and paratransit (Care-A-Van) buses as well as the downtown electric shuttle system and related parking garages. CARTA also sets policy for and manages (or subcontracts the management of) certain elements of the City's parking system, including downtown on-street parking meters, and certain surface parking lots. CARTA also operates the Incline Railway. CARTA is financed by a combination of federal, state, and local financial assistance and is subject to the laws and regulations of the funding governments. CARTA's annual financial audits and/or parts thereof will be provided to the City's Finance Department as necessary for inclusion

in the City's CAFR. The most recent financial statements can be found at https://chattanooga.gov/images/Internal_Audit/CARTA2019FS.pdf

1.2.6 Airport Authority

The Chattanooga Municipal Airport Authority was created by resolution of the City of Chattanooga and is an instrumentality and agency of the City per TCA 42-4-102. CMAA maintains its own accounting system (separate from the City's Finance Department). CMAA operations are included in the City's CAFR. A copy of CMAA's most recent audited financial statements can be viewed at the following link: https://chattanooga.gov/images/Internal_Audit/CMAA2019FS.pdf

2 RFQ Instructions

2.1 Performance Specifications

Indicate in your response if you agree to meet or exceed the following performance specifications. Explain any exceptions you have regarding them.

- A. The audit shall be conducted in accordance with Generally Accepted Auditing Standards (AICPA), Generally Accepted Government Auditing Standards (GAO), the standards prescribed by the Comptroller of the Treasury of the State of Tennessee and in accordance with the Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards.
- B. The firm shall express an opinion on the basic financial statements included in the CAFR. The CAFR will include the financial statements of EPB in a summarized form as an enterprise fund. The CAFR will also include the Chattanooga Metropolitan Airport Authority and the Chattanooga Area Regional Transportation Authority as discretely presented component units.
- C. If selected to perform the city audit, the firm shall conduct a separate (limited scope) audit of the IDB.
- D. The firm awarded the audit shall complete fieldwork no later than three and a half months following the fiscal year end with earlier completion preferred.
- E. The firm awarded the audit shall use the City Finance Department's prepared draft financial statements and note disclosures in addition to information provided by other entities. The firm shall provide technical assistance to the extent allowed by the independence standards in GAGAS.
- F. The firm awarded the audit shall be aware of the requirements of the Government Finance Officers Associations (GFOA) in order for the City to continue to receive the Certificate of Achievement for Excellence in Financial Reporting.

- G. Any proposal for adjusting entries will be submitted to the City Finance Officer in writing with sufficient explanation to determine the need for the adjustment and for proper posting to the financial records.
- H. The RFQ and the auditor's proposal will become part of the audit contract as prescribed by the State Comptroller.
- I. The auditor shall assist in the preparation of the Data Collection Form (SF-SAC) for reporting on audits of states, local governments and non-profit organizations. The firm will be responsible for completing the Data Collection Form submission on a timely basis.
- J. The auditor will immediately notify the Audit Committee via the City Auditor if any additional work outside of the expected scope is determined to be necessary.
- K. The auditor shall commit to performing the audit for the next five years.
- L. The auditor shall notify the Audit Committee via the City Auditor prior to initiating any non-audit services for the City. Such services shall not be provided unless the Audit Committee determines there is no risk to auditor independence.
- M. The auditor is capable of performing and willing to perform all work contemplated in this request.
- N. The auditor shall track time and bill separately for IDB and CDRC.
- O. The auditor will meet with the Audit Committee at least three times during the year: During the planning stage, during the field work stage, and after audit completion.
- P. The auditor will be responsible for timely submitting copies of all reports with opinion to the Local Government Audit Division of the Tennessee Comptroller of the Treasury.
- Q. Upon request, auditor will provide comfort letters or consent and citation of expertise letters, when the financial statements and the auditor's report thereon are provided to third parties.
- R. All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, or such longer time as may be required by federal or state law. Upon request, the auditor will make working papers available, in a timely manner, to the City.
- S. The auditor will respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

T. The auditors will make an immediate report to the City Auditor of:

- a. Any and all irregularities and illegal acts of which they become aware;
- b. Disagreements with management;
- c. Any efforts or attempts to subvert the audit process;
- d. Any material difficulties encountered in performing the audit.

2.2 Inquiries

Any questions should be submitted in writing (email is acceptable) by the cutoff date shown below. Written response will be provided by the City.

Inquiries should be directed to:

Debbie Talley, Buyer
City of Chattanooga
Purchasing Division
101 East 11th Street, Suite G13
Chattanooga, TN 37402
dtalley@chattanooga.gov

2.3 Instructions for Responses

Eight bound copies, one unbound original copy and one PDF copy of the response shall be submitted. All responses shall be submitted in a sealed envelope or box marked "REQUEST FOR QUALIFICATIONS FOR FINANCIAL AND COMPLIANCE AUDIT". The PDF copy shall be included on a thumb drive. The response shall be submitted by the deadline shown below to the attention of:

Debbie Talley, Buyer
City of Chattanooga
Purchasing Division
101 East 11th Street, Suite G13
Chattanooga, TN 37402
dtalley@chattanooga.gov

Sealed responses should be submitted by mail or in person to the City's Purchasing Division, not later than 4:00 p.m. on September 28, 2020. No submissions received after the deadline will be considered. The unbound original will be retained in the Purchasing Division's file. The bound copies shall be distributed by the Buyer as follows: City Finance Officer, Purchasing Agent, City Auditor, and one each to the five Audit Committee members.

2.4 Key Dates

Date	Event
August 24, 2020	Issuance of Request for Qualifications
September 4, 2020	Questions Cutoff Date
September 11, 2020	Response to Questions Due
September 28, 2020	Response to RFQ Deadline
November 19, 2020	Initial Evaluation Complete
Nov 19, 2020 or Feb. 18, 2021	Final Selection by Audit Committee

3 RFQ Overview

3.1 Compensation

The City and firm selected for these services will enter into a professional services agreement, which will be negotiated after final selection by the Audit Committee and finalized after approval by the City Council, subject to budgetary limitations.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request, all such costs and expenses to be at the sole cost of the respective proposers.

3.2 Required Responses

Below is a listing of the information to be provided in response to this RFQ. Firms are requested to keep the submission to a maximum of 25 pages and should be organized to match the specific information requested below:

- Table of Contents
- Executive Summary
- Firm and Staff Qualifications and Experience
- References
- Most recent peer review report, including management letter (if applicable)
- Conflicts of Interest
- Performance Specifications (as requested above)
- Documentation of professional liability insurance with policy limits and expiration date.

The purpose of these responses is to provide firms with an opportunity to demonstrate their qualifications, competence, and capacity to undertake the engagement described herein, in a manner which complies with applicable laws and regulations, and the requirements of the RFQ. The responses should specifically detail the firm's experience and qualifications in providing the services sought by the Audit Committee.

Note: Resumes, references and insurance documentation do not count toward the 25 page limit for the response.

3.2.1 Table of Contents

A Table of Contents should clearly identify the location of all material within the response by section number.

3.2.2 Executive Summary

An Executive Summary on company letterhead signed by a person with the corporate authority to enter into any contract which may result from this RFQ must be included. The Executive Summary should highlight significant aspects of the firm's response.

3.2.3 Firm and Staff Qualifications and Experience

In this section, firms should demonstrate relevant experience by providing the following:

- A. Describe the unique capabilities of your firm in providing public sector financial and compliance audit services.
- B. Identify the total number of professionals employed by your firm who have experience with local government audits.
- C. Include a description of the direct prior experience of your firm with local government audits in the State of Tennessee and/or other comparable governmental entities.
- D. Identify the number of local government entities for which your firm currently is under contract to serve as auditor.
- E. Identify the location of the base office for the individuals who will be assigned to the audit and the total number of professionals and their qualifications and experience.
- F. A description of your firm and its relevant prior experience, particularly in the area of the Certificate of Achievement for Excellence in Financial Reporting.
- G. List of other governments (population > 100,000) for which audits were performed, including whether or not those governments received the GFOA Certificate of Achievement for Excellence in Financial Reporting.
- H. A description of the Partner(s) and Manager(s) to be assigned to the engagement. Resumes may be included.

3.2.4 References

The response must include the name, address and telephone number of three to five clients for whom services similar to those described in this Request for Qualifications have been performed. Names, titles, addresses and telephone numbers of organizations and individuals who may be contacted for reference must be included.

- A. The Audit Committee may seek information from references regarding subjects that include, but are not limited to, the quality of services provided and the responsiveness of the firm to the client during the engagement.
- B. Information provided by references may be used by the Audit Committee for response evaluation purposes. The Audit Committee is not responsible for the lack of responsiveness of the references listed nor is the Audit Committee required to alert any firm of a reference's unresponsiveness during the evaluation period.
- C. The Audit Committee reserves the right to deploy, at its sole discretion, a variety of methods and communication approaches to contact references, depending on what the Audit Committee deems to be the most effective and efficient manner.

3.2.5 Conflict of Interest

The firm must disclose any professional or personal interest which could be (or could be perceived to be) a conflict of interest in performing the services contemplated within this RFQ.

3.3 Review and Evaluation

3.3.1 General Information

The Audit Committee, at its sole discretion, will determine which response(s) best satisfies the requirements of this RFQ. All responses deemed to be responsive to the requirements of this RFQ will be evaluated. Responses failing to meet the requirements of this document may be eliminated from consideration. The Purchasing Division, Finance Department and City Auditor may analyze, summarize and present information to facilitate evaluation of responses. However, the sole deliberations regarding a selection will be made during one or more public meetings of the Audit Committee.

The Purchasing Division, Finance Department or City Auditor may request clarification of a response upon review. Such requests will be routed through the Purchasing Division. Firms will be provided a reasonable period of time in which to submit written responses to the requests for clarification. Other than to provide clarifying information as may be requested, no firm will be allowed to alter its response or add information. Responses to requests for clarification should be provided to the Purchasing Division (contact information in Section 2.2 above).

Finalists may be invited for interviews, after which a selection may be made.

3.3.2 Selection Criteria

The Audit Committee will independently evaluate each response based upon the following primary criteria:

- A. Firm experience with local government audits and related entity audits.
- B. Reputation and References from other public entities for which the firm has provided similar services.
- C. Experience and qualifications of personnel to be assigned to the audit.
- D. Clearly demonstrated understanding of the work to be performed along with completeness and reasonableness of the firm's plan for accomplishing the scope of services within the prescribed timeframe.
- E. Consideration of independence and objectivity both in fact and in appearance.
- F. Overall quality of responses.

The Audit Committee reserves the right to cancel this RFQ at any time or reject any or all responses received as a result of this RFQ if it deems that it is in the best interest of the City. The Audit Committee reserves the right to negotiate all final terms and conditions of any agreement entered into. Nothing in the Request for Qualifications shall be deemed to commit the City to engage any Firm.

3.3.3 Interview

Finalists will be notified of the date, location, and time of their interview, if such interviews are undertaken. Any interviews will be designed to allow finalists to demonstrate their ability to provide the required services. The proposed primary contact, as well as other key personnel who would be responsible for providing the required services, should be present and participate in the interview.

The interview should substantiate the written responses to the RFQ. Initial evaluations may be revised based on the information gained from interviews; however, the interviews will not be an opportunity to cure material omissions in a firm's responses and are not a substitute for a well-written proposal.

The Audit Committee may choose to forego interviews at its discretion.

3.4 Contract Term

The engagement will be for a period of five years, subject to annual renewal upon recommendation of the Audit Committee. Pursuant to State Comptroller requirements, a separate contract will be signed for each of the five years, prior to commencement of each audit. This contract is prescribed by and requires the approval of the State Comptroller. Progress billings may be submitted no more frequently than monthly for services rendered. The first progress billing shall not be submitted prior to July 1. Final payment will be due upon receipt of the final reports.

4 General Terms and Conditions

The agreement shall be governed by the laws of the State of Tennessee and the Code of the City of Chattanooga.

The auditor must defend, indemnify and hold harmless the City against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from any act or omission of auditor, its agents, employees or subcontractors.

In no event is the City liable for anticipated profits or for incidental or consequential damages. The City is not liable for penalties of any description.

Claims, disputes, or other matters in question between the auditor and the City arising out of or related to performance of these services, or breach thereof, shall be subject to mediation in Chattanooga, Tennessee, in accordance with the following provisions:

- a) The mediation shall be conducted by a mediator mutually acceptable to both parties;
- b) The parties agree to share equally in the expense of the mediation;
- c) Such mediation may include the auditor or any other person or entity who may be affected by the subject matter of the dispute;
- d) Unless the parties agree otherwise, mediation shall be a condition precedent to the exercise of any legal remedy other than a proceeding seeking an immediate injunction or restraining order to protect the rights of a party pending litigation. Notwithstanding the issuance of an injunction or restraining order, or the refusal of a court to issue such an order, the dispute shall continue to be subject to mediation.

The City Auditor may audit any records of the selected firm for the purpose of identifying fraud, waste or abuse related to provision of these services or to identify conflicts of interest. Costs of any audits conducted under the authority of this provision will be borne by the City unless the audit identifies significant findings that would benefit

the City. This provision shall not be construed to limit, revoke, or abridge any other rights, powers, or obligations relating to audit which the City may have by Federal, State, or Municipal law, whether those rights, powers, or obligations are express or implied.

The City's failure to insist on performance of any of the terms or conditions or to exercise any right or privilege, or City's waiver of any breach does not waive any other terms, conditions, or privileges, whether of the same or similar type.

The invalidity, illegality, or unenforceability of any provision of the agreement to audit or the occurrence of any event rendering any portion or provision of the agreement void shall in no way affect the validity or enforceability of any other portion or provision of the agreement. Any void provision shall be deemed severed from the agreement, and the balance of the agreement shall be construed and enforced as if the agreement did not contain the particular portion or provision held to be void. The parties further agree to amend the agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. This provision shall not prevent the entire agreement from being void should a provision which is of the essence of the agreement be determined void.

City and auditor each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party of the agreement and to the directors, officers, partners, successors, executors, administrators, assigns, and legal representatives of such other party in respect to all provisions of the agreement.

Neither City nor auditor shall assign any rights or duties under the agreement without the prior written consent of the other party. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge the assignor from any obligation under the agreement. However, nothing shall prevent Contractor from employing independent Contractors, associates, and subcontractors to assist in the performance of the services; however, other agreements to the contrary notwithstanding, in the event Contractor employs independent Contractors, associates, and subcontractors to assist in performance of the services, Contractor shall be solely responsible for the negligent performance of the independent Contractors, associates, and subcontractors so employed.

Nothing in the agreement shall be construed to give any rights or benefits to anyone other than City and auditor.

Nothing in the agreement shall be construed to hold or to make the City a partner, joint venturer, or associate of the auditor, nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the parties is and shall at all times remain contractual as provided by the terms and conditions of the Agreement.

Auditor agrees not to disclose or to permit disclosure of any information designated by the City as confidential, except to the auditor's employees and independent Contractors, associates, and subcontractors who require such information to perform the services.

Auditor agrees to comply with all federal, state, and local non-discrimination laws and regulations. Auditor agrees not to discriminate against any participant on the basis of race, color, religion, sex, age or national origin. Auditor further agrees to comply with all federal, state and local laws regarding treatment and accommodations for individuals with disabilities.

Auditor certifies that it will provide a drug-free workplace and agrees to comply with the applicable requirements of the Drug-Free Workplace Act of 1988.

Auditor certifies knowledge and understanding of the relevant and applicable federal and state laws that apply to the services to be provided, and agrees to comply with these relevant and applicable federal and state laws.

The auditor understands and acknowledges the applicability to it of the Americans with Disabilities Act, as well as the Immigration Reform and Control Act of 1986.

**Affirmative Action Plan
For
City of Chattanooga E-20-006-401**

(Name of Contractor)

The above named Contractor is an equal opportunity employer and during the performance of this contract, the Contractor agrees to abide by the Affirmative Action Plan of the City of Chattanooga as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or handicap. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, national origin, or handicap. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection of training, including apprenticeship. 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 will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin, or handicap.
3. The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or works' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The DBE goal for this project has been set at 0%.
5. This Plan or any attachments thereto shall further provide a list of all employees annotated by job function, race, and sex who are expected to be utilized on this project.
6. During the term of this contract the following non-discriminatory hiring practices shall be employed to provide employment opportunities for minorities and women:

- a. All help wanted ads placed in newspapers or other publications shall contain the phrase "Equal Employment Opportunity Employer".
 - b. Maintain systematic contracts with minority groups and human relations organizations.
 - c. Encourage present employees to refer qualified minority group and female applicants for employment opportunities.
 - d. Use only recruitment sources which state in writing that they practice equal opportunity. Advise all recruitment sources that qualified minority group members and women will be sought for consideration for all positions when vacancies occur.
7. During the term of this contract, the Contractor, upon request of the City of Chattanooga Office of Economic and Community Development, will make available for inspection by the City of Chattanooga Office of Economic and Community Development, copies of payroll records, personnel records, documents and other records that may be used to verify Contractor compliance with these equal opportunity provisions.
8. The Contractor agrees to notify the City of Chattanooga Office of Economic and Community Development of any failure or refusal on the part of the contractor or any subcontractors to comply with the equal opportunity provisions set forth. Any failure or refusal to comply with the aforementioned provisions by the Contractor and/or Subcontractors shall be a breach of this contract.

(Signature of Contractor)

(Title and Name of Construction Company)

(Date)

Chapter No. 817 (HB0261/SB0377). "Iran Divestment Act" enacted.

Vendor Disclosure and Acknowledgement

By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to § 12-12-106.

(SIGNED) _____

(PRINTED NAME) _____

(BUSINESS NAME) _____

(DATE) _____

For more information, please contact the State of Tennessee, Central Procurement Office
<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-/public-information-library.html>

SECTION 00486

DRUG-FREE WORKPLACE AFFIDAVIT OF PRIME BIDDER

STATE OF _____

COUNTY OF _____

Comes the affiant after having first been duly sworn and testifies as follows:

1. My name is _____ I hold the principal office of _____
_____ for _____
(Name of Principal Office) (Name of Bidding Entity)

2. _____ has submitted a bid to the
(Name of Bidding Entity)
City of Chattanooga for the construction of Contract E-20-006-401, EMERGENCY DEBRIS
MONITORING DISPOSAL APRIL 2020.

3. _____ employs more than five (5) employees.
(Name of Bidding Entity)

4. In accordance with Tenn. Code Ann. §50-9-113, this is to certify that
_____ has in effect at the time of its submission of
(Name of Bidding Entity)
a bid to perform the construction of the City of Chattanooga project identified above,
a drug-free workplace program that complies with Title 50, Chapter 9 of the Tennessee Code.

5. This affidavit is made on personal knowledge.

Further the affiant saith not this _____ day of _____, 20__.

Signature

Subscribed and sworn to before me this _____ day of _____.

Notary Public

My Commission Expires:

(Date)

(SEAL)

END OF DOCUMENT

No Contact/No Advocacy Statement

City of Chattanooga
Purchasing Division

For Submission with Sealed RFP, RFQ, Sealed Bid Responses:

State of _____

County of _____

_____ (agent name), being first duly sworn, deposes and says that:

(1) He/She is the owner, partner, officer, representative, or agent of _____
_____ (business name), the Submitter of the attached sealed solicitation
response to Solicitation # _____;

(2) _____ (agent name) swears or affirms that the Submitter
has taken notice, and will abide by the following No Contact and No Advocacy clauses:

NO CONTACT POLICY: After the posting of this solicitation, a potential submitter is prohibited from directly or indirectly contacting any City of Chattanooga representative concerning the subject matter of this solicitation, unless such contact is made with the Purchasing Division.

NO ADVOCATING POLICY: To ensure the integrity of the review and evaluation process, companies and/or individuals submitting sealed solicitation responses, as well as those persons and/or companies formally/informally representing such submitters, may not directly or indirectly lobby or advocate to any City of Chattanooga representative.

Any business entity and/or individual that does not comply with the No Contact and No Advocating policies may be subject to the rejection or disqualification of its solicitation response from consideration.

Submitter Signature:

Printed Name:

Title: _____