

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VIRGINIA 22201

CONTRACT AWARD COVERPAGE

TO: SC&H GROUP, INC.	DATE ISSUED:	MARCH 3, 2020
910 RIDGEBROOK ROAD	CONTRACT NO:	20-178-R
SPARKS, MD 21152	CONTRACT TITLE:	MISCELLANEOUS FINANCIAL COMPLIANCE AND PERFORMANCE AUDITS

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

The contract documents consist of the terms and conditions of AGREEMENT No. 20-178-R including any attachments or amendments thereto.

EFFECTIVE DATE: MARCH 3, 2020

EXPIRES: AUGUST 31, 2020

RENEWALS: FOUR (4) ONE YEAR RENEWAL PERIODS FROM SEPTEMBER 1, 2020 TO AUGUST 31, 2024

COMMODITY CODE(S): 94620

LIVING WAGE: N

ATTACHMENTS:

AGREEMENT No. 20-178-R

EMPLOYEES NOT TO BENEFIT:

NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: WILLIAM D. ADAMS, JR.

VENDOR TEL. NO.: (410) 403-1601

EMAIL ADDRESS: WADAMS@SCHGROUP.COM

COUNTY CONTACT: CHRIS HORTON

COUNTY TEL. NO.: (703) 228-7481

EMAIL ADDRESS: CNHORTON@ARLINGTONVA.US

PURCHASING DIVISION AUTHORIZATION

Meloni Hurley

Title: Assistant Purchasing Agent

Date: 3/3/2020

**ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VA 22201**

RIDER AGREEMENT NO. 20-178-R

THIS AGREEMENT (hereinafter "Agreement") is made, on the date of its execution by the County, between **SC&H Group, Inc.** ("Contractor"), a Maryland corporation with a place of business at 910 Ridgebrook Road, Sparks, Maryland 21152, authorized to transact business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration specified herein or specified in a County Purchase Order referencing this Agreement, agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Exhibit A: County of Loudoun, Virginia Contract No. 197457, Exhibit B: County of Loudoun, Virginia Request for Proposal RFQ 11773, Exhibit C: Arlington County's Special Provision to Exhibit A, and Exhibit D: Quote together with any exhibits and amendments issued or applicable thereto (collectively, "Contract Documents" or "Contract"). This Agreement rides a contract awarded to the Contractor by **County of Loudoun, Virginia** and extended by the Contractor to the County on the same terms and conditions as the Contractor's agreement with County of Loudoun, Virginia. Where the terms of this Agreement vary from the terms and conditions of the other Contract Documents, the terms and conditions of this Agreement shall prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties' agreement which is not contained in the Contract Documents.

2. CONTRACT TERM

The Contractor's provision of goods and services for the County ("Work") shall commence upon the execution of the Agreement by the County", and shall be completed no later than August 31, 2020 ("Contract Term"), subject to any modifications as provided for in the Contract Documents regarding the Contract Term. No aspect of the Work shall be deemed complete until it is accepted by the County's Project Officer.

Upon satisfactory performance by the Contractor, if the County of Loudoun, Virginia renews their agreement identified in Exhibit A, the County may elect to renew this Agreement under the same contract terms for four (4) one-year renewal periods from September 1, 2020 to August 31, 2024 ("Subsequent Contract Term"). However, if the County of Loudoun, Virginia does NOT renew their agreement identified in Exhibit A, this Agreement shall automatically expire on the date of the contract expiration date.

3. PAYMENT

Payment will be made by the County to the Contractor within forty-five (45) days after receipt by the County Project Officer of an invoice detailing the Work provided by the Contractor and accepted by the County. Each invoice must certify that the invoice submitted is a true and accurate accounting of the

work performed and goods and/or services provided and must be signed and attested to by the Contractor or authorized designee. The Project Officer will either approve the invoice or require corrections. The number of the County Purchase Order pursuant to which authority goods or services have been performed or delivered shall appear on all invoices.

4. SCOPE OF WORK

The Contractor agrees to perform the goods and/or services described in the Contract Documents (hereinafter "the Work"). The primary purpose of the Work is to furnish miscellaneous financial, compliance, or performance audits.

The Contract Documents set forth the minimum Work estimated by the County and the Contractor to be necessary to complete the Work. It shall be the Contractor's responsibility, at the Contractor's sole cost, to provide the specific Work set forth in the Contract Documents sufficient to fulfill the purposes of the Work. Nothing in the Contract Documents shall be construed to limit the Contractor's responsibility to manage the details and execution of the Work.

5. PROJECT OFFICER

The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency which seeks to obtain the Work pursuant to this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work pursuant to the Contract Documents.

6. COUNTY PURCHASE ORDER REQUIREMENT

County purchases are authorized only if a County Purchase Order is issued in advance of the transaction. A Purchase Order must indicate that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. If the Contractor provides goods or services without a signed County Purchase Order, it does so at its own risk and expense.

7. NON-APPROPRIATION

All funds for payments by the County to the Contractor pursuant to this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County's written notice.

8. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION

This Contract and the work performed hereunder shall be governed in all respects by the laws of the Commonwealth of Virginia, and the jurisdiction, forum, and venue for any litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia, and in no other court. In performing its Work pursuant to this Contract, the Contractor shall comply with applicable federal, state, and local laws, ordinances and regulations.

9. NOTICES

Unless otherwise provided herein, all notices and other communications required by this Contract shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered by an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

TO THE CONTRACTOR:

William D. Adams, Jr., Director
SC&H Group, Inc.
910 Ridgebrook Road
Sparks, MD 21152
Phone: (410) 403-1601
Email: wadams@schgroup.com

TO THE COUNTY:

Chris Horton, Project Officer
Arlington County Government
2100 Clarendon Boulevard, Suite 310E
Arlington, VA 22201
Phone: 703-228-7481
Email: cnhorton@arlingtonva.us

AND

Sharon Lewis, Purchasing Agent
Purchasing Agent
Arlington County, Virginia
2100 Clarendon Boulevard, Suite 500
Arlington, Virginia 22201
Email: slewis1@arlingtonva.us

10. ARLINGTON COUNTY BUSINESS LICENSES

The Contractor must comply with the provisions of Chapter 11 (“Licenses”) of the Arlington County Code, if applicable. For information on the provisions of that Chapter and its applicability to this Contract, the Contractor must contact the Arlington County Business License Division, Office of the Commissioner of the Revenue, 2100 Clarendon Blvd., Suite 200, Arlington, Virginia, 22201, telephone number (703) 228-3060.

11. COUNTERPARTS

This Agreement may be executed in one or more counterparts and all of such counterparts shall together constitute one and the same instrument. Original signatures transmitted and received via facsimile or other electronic transmission, (e.g., PDF or similar format) are true and valid signatures for all purposes hereunder and shall be effective as delivery of a manually executed original counterpart.

WITNESS these signatures:

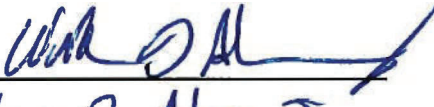
THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

SC&H GROUP, INC.

AUTHORIZED
SIGNATURE: 

NAME: Meloni Hurley
TITLE: Asst. Purchasing Agent

DATE: 3/3/2020

AUTHORIZED
SIGNATURE: 

NAME: William D. Adams Jr.
TITLE: Director

DATE: 2/10/2020

EXHIBIT A

RFQ 11773

AGREEMENT FOR SERVICE

THIS AGREEMENT is effective on the 1st day of September, 2018, by and between the **COUNTY OF LOUDOUN, VIRGINIA**, a political subdivision of the Commonwealth of Virginia, hereinafter referred to as the "County", and **SC&H GROUP, INC.** hereinafter referred to as the "Contractor" (collectively referred to as the "parties").

WITNESSETH:

In consideration of the mutual covenants set forth herein, the parties agree as follows:

The Contractor shall provide Miscellaneous Financial, Compliance and Performance Audits in accordance with the following, in order of precedence: this Agreement for Service ("Agreement" or "Contract"); the Contractor's proposal dated June 20, 2018 (Exhibit I); and the County's Request for Proposal dated May 18, 2018 (including all addenda) (incorporated by reference) (Exhibit II). In the event that Exhibits I and II contradict or limit this Agreement for Service, this Agreement shall prevail.

No representations, arrangements, understandings or agreements relating to the subject matter exist amongst the parties except as expressed in this Agreement.

1.0 SCOPE OF SERVICES

The Contractor shall:

- 1.1 Conduct various types of audits for a wide variety of local government programs and services. Types of audits may include fiscal, contract, performance, compliance, forensic audits as designated by the County during the year. Audit projects may be subject to the following current requirements:
 - A. The standards applicable to audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.
 - B. Generally Accepted Government Auditing Standards (GAGAS i.e. the "Yellow Book").
 - C. The Institute of Internal Auditors Standards for the Professional Practice of Internal Auditing of Local Governments.
 - D. The standards applicable to Specifications for Audits of Counties, Cities, and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
 - E. Statements on auditing standards issued by the American Institute of Certified Public Accountants (AICPA).

- 1.2 The Department of Management and Budget, as directed by the Office of the County Administrator and/or the Board of Supervisors, will serve as Project Manager and assign each project on a task order basis during the year. There is no guarantee as to the number of projects to be assigned under this contract. The County reserves the right to issue a separate solicitation for any project and/or enter into more than one contract based upon the selected firm(s) areas of expertise. The Contractor shall not commence the service for any project until a purchase order has been issued and a Notice to Proceed has been issued for that project by the County.
- 1.3 Provide a detailed audit work plan and time line for each audit assigned, describing the individual tasks to be performed and the relative schedule of those tasks.
- 1.4 In order to ensure a coordinated effort during the course of the contract and upcoming audits, the Contractor agrees that prior to commencing the engagement, the following shall occur:
 - A. The audit staff will meet with County staff to discuss the scope of each audit project.
 - B. The Contractor shall identify and provide information on the size, quality and experience level of the engagement team prior to the start of the audit, unless waived by the County.
- 1.5 Prepare a report that summarizes the analysis, findings and recommendations or other agreed upon deliverables for each audit: The report should include the following sections:
 - A. Executive Summary
 - B. Background
 - C. Objectives, Scope and Methodology
 - D. Findings
 - E. Recommendations
 - F. Auditee Response

The Contractor shall distribute and present the draft report to the Project Manager for review and comment prior to finalization and preparation of the final report.
- 1.6 Present the final report with findings and recommendations to the Finance, Government Operations, and Economic Development Committee.
- 1.7 All working papers and reports must be retained, at the auditor's expense, in compliance with the Code of Virginia record retention requirements, unless the Contractor is notified in writing by the County of the need to extend the retention period. The Contractor shall make working papers available, upon request, to the County.

2.0 TERMS AND CONDITIONS

This Agreement is subject to the following Terms and Conditions:

2.1 Procedures

The extent and character of the services to be performed by the Contractor shall be subject to the general control and approval of the Director of Management and Budget or his/her authorized representative(s). The Contractor shall not comply with requests and/or orders issued by other than the Director of Management and Budget or his/her authorized representative(s) acting within their authority for the County. Any change to the Contract must be approved in writing by the Division of Procurement and the Contractor.

2.2 Term

The Contract shall cover the period from September 1, 2018 through August 31, 2019.

This Contract may be renewed at the expiration of the initial term at the request of the County. The renewal may be for up to five (5) additional one (1) year periods. Unless otherwise agreed to by the parties or as may be required by law, any renewal shall be based on the same terms and conditions as the initial term with the exception of price or rates. Initial rates and subsequent renewal rates are guaranteed for a minimum of twelve (12) months. Any increase in rates after the initial term or any renewal term shall be limited to the prior year's increase in the Consumer Price Index for All Urban Consumers (CPI-U), Financial Services (unadjusted for seasonal changes) for the current twelve month period.

2.3 Delays and Delivery Failures

Time is of the essence. The Contractor must keep the County advised at all times of status of parties' agreement. If delay is foreseen, the Contractor shall give immediate written notice to the Division of Procurement. Should the Contractor fail to deliver the proper item(s)/service(s) at the time and place(s) contracted for, or within a reasonable period of time thereafter as agreed to in writing by the Division of Procurement, or should the Contractor fail to make a timely replacement of rejected items/services when so required, the County may purchase items/services of comparable quality and quantity in the open market to replace the undelivered or rejected items/services. The Contractor shall reimburse the County for all costs in excess of the Agreement price when purchases are made in the open market; or, in the event that there is a balance the County owes to the Contractor from prior transactions, an amount equal to the additional expense incurred by the County as a result of the Contractor's nonperformance shall be deducted from the balance as payment.

2.4 Business, Professional and Occupational License Requirement

All firms or individuals located or doing business in Loudoun County are required to be licensed in accordance with the County's "Business, Professional, and Occupational Licensing (BPOL) Tax" Ordinance.

Wholesale and retail merchants without a business location in Loudoun County are exempt from this requirement. Questions concerning the BPOL Tax should be directed to the Office of Commissioner of Revenue, telephone (703) 777-0260.

2.5 Payment of Taxes

All Contractors located or owning property in Loudoun County shall assure that all real and personal property taxes are paid.

The County will verify payment of all real and personal property taxes by the Contractor prior to the award of any Contract or Contract renewal.

2.6 Insurance

A. The Contractor shall be responsible for its work and every part thereof, and for all materials, tools, equipment, appliances, and property of any and all description used in connection therewith. The Contractor assumes all risk of direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract.

B. The Contractor and all subcontractors shall, during the continuance of the work under the Contract, provide the following:

1. Workers' Compensation and Employer's Liability to protect the Contractor from any liability or damages for any injuries (including death and disability) to any and all of its employees, including any and all liability or damage which may arise by virtue of any statute or law in force within the Commonwealth of Virginia.
2. Comprehensive General Liability insurance to protect the Contractor, and the interest of the County, its officers, employees, and agents against any and all injuries to third parties, including bodily injury and personal injury, wherever located, resulting from any action or operation under the Contract or in connection with the contracted work. The General Liability insurance shall also include the Broad Form Property Damage endorsement, in addition to coverage for explosion, collapse, and underground hazards, where required.

3. Automobile Liability insurance, covering all owned, non-owned, borrowed, leased, or rented vehicles operated by the Contractor.
4. Professional Liability against any and all wrongful acts, errors, or omissions on the part of the Contractor resulting from any action or operation under the Contract or in connection with the contracted work.

C. The Contractor agrees to provide the above referenced policies with the following limits. Liability insurance limits may be arranged by General, Automobile and Professional Liability policies for the full limits required, or by a combination of underlying policies for lesser limits with the remaining limits provided by an Excess or Umbrella Liability policy

1. Workers' Compensation:

Coverage A:	Statutory
Coverage B:	\$100,000
2. General Liability:

Per Occurrence:	\$1,000,000
Personal/Advertising Injury:	\$1,000,000
General Aggregate:	\$2,000,000
Products/Completed Operations:	\$2,000,000
Fire Damage Legal Liability:	\$100,000

GL Coverage, excluding Products and Completed Operations, should be on a Per Project Basis

3. Automobile Liability:

Combined Single Limit:	\$1,000,000
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4. Professional Liability:

Per Occurrence:	\$1,000,000
General Aggregate:	\$1,000,000

D. The following provisions shall be agreed to by the Contractor:

1. No change, cancellation, or non-renewal shall be made in any insurance coverage without a forty-five (45) day written notice to the County. The Contractor shall furnish a new certificate prior to any change or cancellation date. The failure of the Contractor to deliver a new and valid certificate will result in suspension of all payments until the new certificate is furnished.
2. Liability Insurance "Claims Made" basis:
 If the liability insurance purchased by the Contractor has been issued on a "claims made" basis, the Contractor must comply with the following additional conditions. The limits of liability and the extensions to be included as described previously in

these provisions, remain the same. The Contractor must either:

- a. Agree to provide, prior to commencing work under the Contract, certificates of insurance evidencing the above coverage for a period of two (2) years after final payment for the Contract for General Liability policies and five (5) years for Professional Liability policies. This certificate shall evidence a "retroactive date" no later than the beginning of the Contractor's work under this Contract, or
 - b. Purchase the extended reporting period endorsement for the policy or policies in force during the term of this Contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.
3. The Contractor must disclose the amount of deductible/self-insured retention applicable to the General Liability, Automobile Liability and Professional Liability policies, if any. The County reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible/self-insured plan. If this provision is utilized, the Contractor will be permitted to provide evidence of its ability to fund the deductible/self-insured retention.
4. a. The Contractor agrees to provide insurance issued by companies admitted within the Commonwealth of Virginia, with the Best's Key Rating of at least A:VII.
- b. European markets including those based in London, and the domestic surplus lines market that operate on a non-admitted basis are exempt from this requirement provided that the Contractor's broker can provide financial data to establish that a market's policyholder surpluses are equal to or exceed the surpluses that correspond to Best's A:VII Rating.
5. a. The Contractor will provide an original signed Certificate of Insurance and such endorsements as prescribed herein.
- b. The Contractor will provide on request certified copies of all insurance coverage related to the Contract within ten (10) business days of request by the County. These certified copies will be sent to the County from the Contractor's insurance agent or representative.

Any request made under this provision shall be deemed confidential and proprietary.

- c. Any certificates provided shall indicate the Contract name and number.
6. The County, its officers and employees shall be Endorsed to the Contractor's Automobile and General Liability policies as an "additional insured" with the provision that this coverage "is primary to all other coverage the County may possess." (Use "loss payee" where there is an insurable interest). A Certificate of Insurance evidencing the additional insured status must be presented to the County along with a copy of the Endorsement.
7. Compliance by the Contractor with the foregoing requirements as to carrying insurance shall not relieve the Contractor of their liabilities provisions of the Contract.
- E. Contractual and other Liability insurance provided under this Contract shall not contain a supervision, inspection or engineering services exclusion that would preclude the County from supervising and/or inspecting the project as to the end result. The Contractor shall assume all on-the-job responsibilities as to the control of persons directly employed by it.
- F. Precaution shall be exercised at all times for the protection of Persons (including employees) and property.
- G. The Contractor is to comply with the Occupational Safety and Health Act of 1970, Public Law 91-956, as it may apply to this Contract.
- H. Any loss insured under subparagraph 2.7.B.4 is to be adjusted with the County and made payable to the County as trustee for the requirements of any applicable mortgagee clause.
- I. If an "ACORD" Insurance Certificate form is used by the Contractor's insurance agent, the words "endeavor to" and ". . . but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" paragraph of the form shall be deleted.
- J. The Contractor agrees to waive all rights of subrogation against the County, its officers, employees, and agents.

2.7 Hold Harmless

The Contractor shall, indemnify and hold harmless the County, including its officials and employees, from all liability, losses, costs, damages, claims, causes of action, and suits of any nature (specifically including reasonable attorney's fees and defense costs of third party claims) incidental to or brought as a consequence of any negligent act, error, omission, or breach of the applicable standard of care by the Contractor and or its subcontractors. The

Contractor agrees that this clause shall include claims involving infringement of patent or copyright. This section shall survive the Contract. The County is prohibited from indemnifying Contractor and/or any other third parties.

2.8 Safety

All Contractors and subcontractors performing services for the County are required and shall comply with all Occupational Safety and Health Administration (OSHA), State and County Safety and Occupational Health Standards and any other applicable rules and regulations. Also all Contractors and subcontractors shall be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this Contract.

2.9 Notice of Required Disability Legislation Compliance

The County is required to comply with state and federal disability legislation: The Rehabilitation Act of 1973 Section 504, The Americans with Disabilities Act (ADA) for 1990 Title II and The Virginians with Disabilities Act of 1990.

Specifically, Loudoun County, may not, through its contractual and/or financial arrangements, directly or indirectly avoid compliance with Title II of the Americans with Disabilities Act, Public Law 101-336, which prohibits discrimination by public entities on the basis of disability. Subtitle A protects qualified individuals with disability from discrimination on the basis of disability in the services, programs, or activities of all State and local governments. It extends the prohibition of discrimination in federally assisted programs established by the Rehabilitation Act of 1973 Section 504 to all activities of State and local governments, including those that do not receive Federal financial assistance, and incorporates specific prohibitions of discrimination on the basis of disability in Titles I, III, and V of the Americans with Disabilities Act. The Virginians with Disabilities Act of 1990 follows the Rehabilitation Act of 1973 Section 504.

2.10 Ethics in Public Contracting

The provisions contained in §§ 2.2-4367 through 2.2-4377 of the Virginia Public Procurement Act as set forth in the 1950 Code of Virginia, as amended, shall be applicable to all Contracts solicited or entered into by the County. A copy of these provisions may be obtained from the Purchasing Agent upon request.

The above-stated provisions supplement, but do not supersede, other provisions of law including, but not limited to, the Virginia State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.), the Virginia Governmental Frauds Act (§ 18.2-498.1 et seq.) and Articles 2 and 3 of Chapter 10 of Title 18.2. The provisions apply notwithstanding the fact that the conduct described may not constitute a violation of the Virginia State and Local Government Conflict of Interests Act.

2.11 Employment Discrimination by Contractors Prohibited

Every Contract of over \$10,000 shall include the following provisions:

- A. During the performance of this Contract, the Contractor agrees as follows:
1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, 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 Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, shall state that such Contractor is an equal opportunity employer.
 3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.
- B. The Contractor will include the provisions of the foregoing paragraphs, 1, 2, and 3 in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

2.12 Drug-free Workplace

Every Contract of over \$10,000 shall include the following provisions:

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor'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 Contractor'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 behalf of the Contractor that the Contractor 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.

For the purpose of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution,

dispensation, possession, or use of a controlled substance or marijuana during the performance of the Contract.

2.13 Faith-Based Organizations

The County does not discriminate against faith-based organizations.

2.14 Immigration Reform and Control Act of 1986

By entering this Contract, the Contractor certifies that it does not and will not during the performance of this Contract violate the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.

2.15 Workmanship and Inspection

All work under this Contract shall be performed in a skillful and workmanlike manner. The Contractor and its employees shall be professional and courteous at all times. The County reserves the right to require immediate removal of any Contractor employee from County service it deems unfit for service for any reason, not contrary to law. This right is non-negotiable and the Contractor agrees to this condition by accepting this Agreement. Further, the County may, from time to time, make inspections of the work performed under the Agreement. Any inspection by the County does not relieve the Contractor of any responsibility in meeting the Agreement requirements.

The Contractor will have all employees working at County sites wear photo identification (frontal face). This identification must be prominently displayed at all times. No one with a felony conviction may be employed under this Agreement. The Contractor MUST remove any employee from County service who is convicted of a felony during his or her employment.

2.16 Substitutions

NO substitutions, additions or cancellations, including those of key personnel, are permitted after Contract award without written approval by the Division of Procurement. Where specific employees are proposed by the Contractor for the work, those employees shall perform the work as long as those employees work for the Contractor, either as employees or subcontractors, unless the County agrees to a substitution. Requests for substitutions will be reviewed by the County and approval may be given by the County at its sole discretion.

2.17 Exemption from Taxes

Pursuant to Va. Code § 58.1-609.1, the County is exempt from Virginia State Sales or Use Taxes and Federal Excise Tax, therefore the Contractor shall not charge the County for Virginia State Sales or Use Taxes or Federal Excise Tax on the finished goods or products provided under the Contract. However, this exemption does not apply to the Contractor, and the Contractor shall be responsible for the payment of any sales, use, or excise tax it incurs in providing the goods required by the Contract, including, but not limited to, taxes on materials purchased by a Contractor for incorporation in or use on a construction project. Nothing in this section

shall prohibit the Contractor from including its own sales tax expense in connection with the Contract in its Contract price.

2.18 Ordering, Invoicing and Payment

All work requested under this Contract shall be placed on a County issued Purchase Order. The Contractor shall not accept credit card orders or payments.

Contractor shall submit invoices in duplicate at the end of each calendar month, such statement to include a detailed breakdown of all charges and shall be based on completion of tasks or deliverables for the period of time being billed and shall include progress reports.

Invoices shall be submitted to:

County of Loudoun, Virginia
Department of Management and Budget
Attention: Ms. Liz Weaver
P.O. Box 7000
Leesburg, VA 20177-7000

Physical Address:

1 Harrison Street, S.E., 4th Floor
Leesburg, VA 20177-7000

Or

Via email:

Liz.Weaver@loudoun.gov

Upon receipt of invoice and final inspection and acceptance of the equipment and/or service, the County will render payment within thirty (30) days unless any items thereon are questioned, in which event payment will be withheld pending verification of the amount claimed and the validity of the claim. The Contractor shall provide complete cooperation during any such investigation. Unless invoice items are questioned, the interest shall accrue at the rate of one percent (1%) per month for any late payments.

Individual Contractors shall provide their social security numbers, and proprietorships, partnerships, and corporations shall provide their federal employer identification number on the pricing form.

2.19 Payments to Subcontractors

Within seven (7) days after receipt of amounts paid by the County for work performed by a subcontractor under this Contract, the Contractor shall either:

- A. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

- B. Notify the County and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment and the reason for non-payment.

The Contractor shall pay interest to the subcontractor on all amounts owed that remain unpaid beyond the seven (7) day period except for amounts withheld as allowed in item B. above.

Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements as set forth above with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to this provision may not be construed to be an obligation of the County.

2.20 Assignment

The Agreement may not be assigned in whole or in part without the prior written consent of the Division of Procurement. The rights and obligations of the Contractor are personal and may be performed only by the Contractor. Any purported assignment that does not comply with this provision is void. This Agreement is binding upon and inures to the benefit of the parties and their respective permitted successors and assigns.

2.21 Termination

Subject to the provisions below, the Contract may be terminated by the County upon thirty (30) days advance written notice to the Contractor; but if any work or service hereunder is in progress, but not completed as of the date of termination, then the Contract may be extended upon written approval of the County until said work or services are completed and accepted.

A. Termination for Convenience

The County may terminate this Contract for convenience at any time in which the case the parties shall negotiate reasonable termination costs.

B. Termination for Cause

In the event of Termination for Cause, the thirty (30) days advance notice is waived and the Contractor shall not be entitled to termination costs.

C. Termination Due to Unavailability of Funds in Succeeding Fiscal Years

If funds are not appropriated or otherwise made available to support continuation of the performance of this Contract in a subsequent fiscal year, then the Contract shall be canceled and, to the extent permitted

by law, the Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract.

2.22 Contractual Disputes

The Contractor shall give written notice to the Purchasing Agent of intent to file a claim for money or other relief within ten (10) calendar days of the occurrence giving rise to the claim or at the beginning of the work upon which the claim is to be based, whichever is earlier.

The Contractor shall submit its invoice for final payment within thirty (30) days after completion or delivery.

The claim, with supporting documentation, shall be submitted to the Purchasing Agent by US Mail, return receipt requested, courier, or overnight delivery service, no later than sixty (60) days after final payment. If the claim is not disposed of by agreement, the Purchasing Agent shall reduce his/her decision to writing and mail via U.S. mail or otherwise forward a copy thereof to the Contractor within thirty (30) days of the County's receipt of the claim.

The Purchasing Agent's decision shall be final unless the Contractor appeals within thirty (30) days by submitting a written letter of appeal to the County Administrator, or his designee. The County Administrator shall render a decision within sixty (60) days of receipt of the appeal.

No Contractor shall institute any legal action until all statutory requirements have been met. Each party shall bear its own costs and expenses resulting from any litigation, including attorney's fees.

2.23 Severability

In the event that any provision shall be adjudged or decreed to be invalid, by a court of competent jurisdiction, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.

2.24 Governing Law/Forum

This Agreement shall be governed and construed in all respects by its terms and by the laws of the Commonwealth of Virginia, without giving effect to its conflicts of laws provisions. Any judicial action shall be filed exclusively in the Commonwealth of Virginia, County of Loudoun. Contractor expressly waives any objection to venue or jurisdiction of the Loudoun County Circuit Court, Loudoun County, Virginia. Contractor expressly consents to waiver of service of process in an action pending in the Loudoun County Circuit Court pursuant to Virginia Code Section 8.01-286.1.

2.25 Notices

All notices and other communications hereunder shall be deemed to have been given when made in writing and either (a) delivered in person, (b)

delivered to an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

TO CONTRACTOR:

SC&H Group, Inc.
910 Ridgebrook Road
Sparks, Maryland 21152
Attn: William D. Adams, Jr.

TO COUNTY:

County of Loudoun, Virginia
Department of Finance and
Procurement
Division of Procurement
P.O. Box 7000
Leesburg, VA 20177
Attn: Diane Smith

County of Loudoun, Virginia
Department of Management and Budget
P.O. Box 7000
Leesburg, VA 20177
Attn: Liz Weaver

Notice is deemed to have been received: (i) on the date of delivery if delivered in person; (ii) on the first business day after the date of delivery if sent by same day or overnight courier service; or (iii) on the third business day after the date of mailing, if sent by certified or registered United States Mail, return receipt requested, postage and charges prepaid.

2.26 Authority to Transact Business in Virginia

A Contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described herein that enters into a Contract with the County pursuant to the Virginia Public Procurement Act 2.2-4300 et seq. shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50 of the Code of Virginia, to be revoked or cancelled at any time during the term of the Contract. The County may void any Contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

2.27 Licensure

To the extent required by the Commonwealth of Virginia (see e.g. 54.1-1100 et seq. of the Code of Virginia) or the County, the Contractor shall be duly licensed to perform the services required to be delivered pursuant to this Contract.

2.28 Confidentiality

A. Contractor Confidentiality

The Contractor acknowledges and understands that its employees may have access to proprietary, business information, or other confidential information belonging to the County of Loudoun. Therefore, except as required by law, the Contractor agrees that its employees will not:

1. Access or attempt to access data that is unrelated to their job duties or authorizations as related to this Contract.
2. Access or attempt to access information beyond their stated authorization.
3. Disclose to any other person or allow any other person access to any information related to the County or any of its facilities or any other user of this Contract that is proprietary or confidential. Disclosure of information includes, but is not limited to, verbal discussions, FAX transmissions, electronic mail messages, voice mail communication, written documentation, "loaning" computer access codes and/or another transmission or sharing of data.

The Contractor understands that the County, or others may suffer irreparable harm by disclosure of proprietary or confidential information and that the County may seek legal remedies available to it should such disclosure occur. Further, the Contractor understands that violations of this provision may result in Contract termination.

The Contractor further understands that information and data obtained during the performance of this agreement shall be considered confidential, during and following the term of this Contract, and will not be divulged without the Purchasing Agent's written consent and then only in strict accordance with prevailing laws. The Contractor shall hold all information provided by the County as proprietary and confidential, and shall make no unauthorized reproduction or distribution of such material.

B. County Confidentiality

The County understands that certain information provided by the Contractor during the performance of this Agreement may also contain confidential or proprietary information. Contractor acknowledges that this Contract and public records (as defined by §2.2-3701 of the Virginia Freedom of Information Act) provided pursuant to this Contract are subject to the Virginia Freedom of Information Act §§2.2-3700 et seq. and the Virginia Public Procurement Act §2.2-4342 of the Code of Virginia.

2.29 Counterparts

This Contract and any amendments or renewals hereto may be executed in a number of counterparts, and each counterpart signature, when taken with the other counterpart signatures, is treated as if executed upon one original of this Contract or any amendment or renewal. A signature by any party to this Contract provided by facsimile or electronic mail is binding upon that party as if it were the original.

2.30 No Smoking

Smoking in all County buildings is prohibited. The County may designate a smoking area outside County facilities. Contractor shall only use those designated smoking areas. Certain County facilities, both inside and outside, may be entirely smoke free. Contractor shall inquire of the Contract Administrator or designee if a facility is entirely smoke free. Failure to adhere to the County's no smoking policies may lead to removal of Contractor employees and possible Contract termination.

2.31 Background Checks

The Contractor shall obtain background checks on all personnel who will be assigned to County buildings working in any capacity including supervision. The background check MUST be completed and received by the County Contract Administrator before any personnel can work on County property.

The Contractor should have enough qualified people with current background checks so as to be able to provide a replacement within twenty-four (24) hours. It is recommended that the Contractor keep on file with the Contract Administrator a list of persons who may work at County properties so that replacements can be quickly made. Should a replacement take longer than twenty-four (24) hours, this may be cause for termination of the Agreement. Should the Contractor assign someone who has not had a background check, that person will be immediately ordered off of County property and the Contractor may not bill the County for any hours worked. No one with a felony conviction may be employed under this Agreement. The Contractor MUST remove any employee from County service who is convicted of a felony during his or her employment. After initial background checks have been made, they must be done annually for any person working at County sites after one (1) year. Failure to obtain background checks as specified can result in termination of the Agreement.

2.32 Force Majeure

A party is not liable for failure to perform the party's obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, strikes at national level or industrial disputes at a national level, or strike or

industrial disputes by labor not employed by the affected party, its subcontractors or its suppliers and which affect an essential portion of the contracted for works but excluding any industrial dispute which is specific to the performance of the works or this contract, interruption or failure of electricity or telephone service.

If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, that party must immediately notify the other party giving full particulars of the event of force majeure and the reasons for the event of force majeure preventing that party from, or delaying that party in performing its obligations under this contract and that party must use its reasonable efforts to mitigate the effect of the event of force majeure upon its or their performance of the contract and to fulfill its or their obligations under the contract.

An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event, nor does that event affect the obligation to pay money in a timely manner which matured prior to the occurrence of that event.

The Contractor has no entitlement and County has no liability for: (1) any costs, losses, expenses, damages or the payment of any part of the contract price during an event of force majeure; and (2) any delay costs in any way incurred by the contractor due to an event of force majeure.

2.33 Survival of Terms

Upon discharge of this Agreement, Sections (Notice, Hold Harmless, Governing Law/Forum, Contractual Disputes) of these Terms and Conditions continue and survive in full force and effect.

2.34 Non-Waiver

No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of this Agreement constitute a continuing waiver unless otherwise expressly provided.

2.35 Non-Exclusivity

This agreement does not limit the County's right to independently contract with another independent certified public accountant or accounting firm to perform similar audit services.

2.36 Health Insurance Portability and Accountability Act (HIPAA)

The Contractor hereby certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 [HIPAA] (Public Law 104-191) Privacy Rule. The Contractor agrees that upon termination of this Agreement, it will return or destroy all protected health information (PHI) received from County. If return or destruction is not possible, Contractor will extend the protection of the Agreement to the information and limit further uses and disclosures that make the return or destruction impossible.

The Contractor also agrees to use reasonable administrative, technical and physical safeguards to ensure the integrity and confidentiality of all PHI that it receives or possesses from the County and that it will protect the health information against reasonable anticipated threats or hazards to the security or integrity of the information and unauthorized uses or disclosures of the information. The Contractor shall be obligated by this Agreement to advise the County within forty-eight (48) hours of occurrence of any HIPAA Privacy Rule violations.

In the event the County becomes aware of a HIPAA violation, the County will take reasonable steps up to and including termination of this Agreement to ensure that the Contractor ends the violation. Failure to end the violation will result in County notification of the federal, state and local authorities.

3.0 COMPENSATION

Position	Hourly Rate
Director / Principal	\$200
Senior Manager	\$155
Manager	\$140
Senior	\$130
Staff	\$116

COUNTY OF LOUDOUN, VIRGINIA
 Division of Procurement
 1 Harrison St, SE, 4th Floor
 Leesburg, VA 20175
 Phone: (703) 258-3190
 Fax: (703) 771-5097

SC&H GROUP, INC.
 910 Ridgebrook Road
 Sparks, Maryland 21152

By: 

By: 

Name: Diane C. Smith

Name: William D. Adams, Jr.

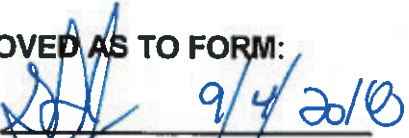
Title: Asst. Purchasing Agent

Title: Director

Date: 08/31/2018

Date: 8/30/2018

APPROVED AS TO FORM:

By:  9/4/2018
 Steven F. Jackson
 Assistant County Attorney

CONTRACT AMENDMENT #1

This agreement constitutes an Amendment to Contract Number RFQ 11773 for Miscellaneous Financial, Compliance and Performance Audits between the **COUNTY OF LOUDOUN, VIRGINIA** (the "County") and **SC&H GROUP, INC.** (the "Contractor") (collectively, the "parties").

In consideration of the mutual covenants set forth herein, the parties agree to amend and modify the Contract effective September 1, 2019 as follows:

2.2 Term:

The Contract will be renewed to cover the period from September 1, 2019 through August 31, 2020. There are (4) renewal options remaining on this Contract.

In all other respects not specifically mentioned or altered by Amendment, the original Contract shall remain in full force and effect.

COUNTY OF LOUDOUN, VIRGINIA

Division of Procurement
1 Harrison St, SE, 4th Floor
Leesburg, VA 20175

Phone: (703) 777-0566
Fax: (703) 771-5097

By: 

Name: Kathleen R. Armstrong

Title: Contracting Officer

Date: 6/28/19

SC&H GROUP, INC.

910 Ridgebrook Road
Sparks, MD 21152

Phone: (410) 403-1601

By: 

Name: William D. Adams, Jr.

Title: Director

Date: 6/24/2019

APPROVED AS TO FORM:

By: 

Theresa J. Fontana
Assistant County Attorney

CONTRACT AMENDMENT #2

This agreement constitutes an Amendment to Contract Number RFQ 11773 for Miscellaneous Financial, Compliance and Performance Audits between the **COUNTY OF LOUDOUN, VIRGINIA** (the "County") and **SC&H GROUP, INC.** (the "Contractor") (collectively, the "parties").

In consideration of the mutual covenants set forth herein, the parties agree to amend and modify the Contract effective August 15, 2019 as follows:

1.0 SCOPE OF SERVICES

The following clauses shall be added:

- 1.8** Perform additional analysis and testing on time and effort processes to identify areas for improvement and provide recommendations on process improvements for the grants management program to include best practice and policy guidance. The evaluation should include the following key components:
- A.** Conduct meetings with Finance staff to understand the current processes and tools available the grants management program.
 - B.** Conduct targeted interviews with departments to identify challenges associated with the program.
 - C.** Select and review a sample of grants that fund labor costs. All types of grants, including pass through grants, should be included in the sample.
 - D.** Determine if labor costs reported are properly documented, authorized, and compliant. Consideration must be given to the requirements of different types of funding, such as competitive federal grants versus state funded programs.
 - E.** Provide suggested process improvements to include recommended best practices and policy guidance.

In all other respects not specifically mentioned or altered by Amendment, the original Contract shall remain in full force and effect.

[SIGNATURES ON THE FOLLOWING PAGE]

COUNTY OF LOUDOUN, VIRGINIA

Division of Procurement

1 Harrison St, SE, 4th Floor

Leesburg, VA 20175

Phone: (703) 258-3190

Fax: (703) 771-5097

By: 

Name: Kathleen Armstrong

Title: Contracting Officer

Date: 8/14/19

SC&H GROUP, INC.

910 Ridgebrook Road

Sparks, Maryland 21152

Phone: (410) 403-1601

Fax: (410) 403-1601


By: 

Name: William D. Adams, Jr.

Title: Director

Date: 8/14/19

APPROVED AS TO FORM:

By: 

Theresa J. Fontana
Assistant County Attorney

EXHIBIT B



Loudoun County, Virginia

REQUEST FOR PROPOSAL

**MISCELLANEOUS FINANCIAL, COMPLIANCE AND
PERFORMANCE AUDITS**

ACCEPTANCE DATE: Prior to 4:00 p.m., June 18, 2018, "Atomic" Time

RFP NUMBER: RFQ 11773

ACCEPTANCE PLACE: Department of Finance and Procurement
Division of Procurement
1 Harrison Street, SE, 4th Floor
Leesburg, Virginia 20175

Requests for information related to this Proposal should be directed to:

Diane C. Smith

Contracting Officer

(571) 258-3190

(703) 771-5097 (Fax)

E-mail address: Diane.Smith@loudoun.gov

This document can be downloaded from our web site:

www.loudoun.gov/procurement

Issue Date: May 18, 2018

IF YOU NEED ANY REASONABLE ACCOMMODATION FOR ANY TYPE OF DISABILITY IN
ORDER TO PARTICIPATE IN THIS PROCUREMENT, PLEASE
CONTACT THIS DIVISION AS SOON AS POSSIBLE .
REQUEST FOR PROPOSAL

MISCELLANEOUS FINANCIAL, COMPLIANCE AND PERFORMANCE AUDIT

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Prepared By: /S/Diane C. Smith, CPPB Date: May 18, 2018
Contracting Officer

MISCELLANEOUS FINANCIAL, COMPLIANCE AND PERFORMANCE AUDIT

1.0 PURPOSE

The intent of this Request for Proposal (RFP) is for the County of Loudoun, Virginia (County) to obtain internal professional audit services from a qualified, independent firm on an as needed basis, for projects assigned during the contract period.

Types of audits may include performance, fiscal, contract, compliance, forensic audits as designated by the County during the year. Projects will focus on evaluating:

- Efficiency and effectiveness of County programs, services, and processes;
- Strengths and weaknesses of internal controls and processes to help management effectively mitigate the risks to an organization's achievement of objectives;
- Whether existing systems and processes are operating as intended; and
- Whether programs are in compliance or aligned with relevant regulations, requirements, and best practices.

Internal audit activity will bring a systematic disciplined approach to assessing the effectiveness of the design and execution of the County's system of internal controls and risk management processes to result in findings and substantive recommendations

2.0 COMPETITION INTENDED

It is the County's intent that this RFP permits competition. It shall be the offeror's responsibility to advise the Purchasing Agent in writing if any language, requirement, specification, etc., or any combination thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be received by the Purchasing Agent not later than fifteen (15) days prior to the date set for acceptance of proposals.

3.0 BACKGROUND INFORMATION

Loudoun County is located 25 miles west of Washington, DC, in the Washington D.C. Metropolitan Area and provides a mix of suburban and rural living to its residents. Since the construction of the Dulles International Airport, new business and residential development have dominated the County's historically agricultural economy. Loudoun County's population nearly doubled in the 1990s; since 2000, Loudoun County has been the fifth fastest growing county in the United States. Loudoun County is known for its beautiful scenery, rich history, comfortable neighborhoods, and high quality public services. Its economy continues to grow and is responsible for a considerable share of Northern Virginia's job growth during the past few years. Several major companies in the telecommunications, information, and airline industries are located in Loudoun County. It is also known for its outstanding public school system.

4.0 OFFEROR'S MINIMUM QUALIFICATIONS

Offerors must demonstrate that they have the resources and capability to provide the materials and services as described herein. All offerors must submit the documentation indicated below with their proposal. Failure to provide any of the required documentation shall be cause for proposal to be deemed non-responsible and rejected.

The following criteria shall be met in order to be eligible for this contract:

- 4.1 Offeror shall provide proof that key professional staff to be assigned are properly licensed to practice as certified public accountants in the Commonwealth of Virginia. Offeror shall provide resumes and information on specific government auditing experience by:
 - A. Type of internal audit (e.g. performance, financial, compliance, etc.); and
 - B. Subject matter of audit (e.g. housing, retirement plans, investments, etc.) of each person together with information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.
- 4.2 Offeror shall have at least five (5) years of experience in providing similar auditing services to comparable government agencies. All offerors shall include with their proposals, a list of at least three (3) current references for whom comparable audit work has been performed in the last five (5) years. This list shall include government agency name, person to contact, address, telephone number, fax number, e-mail address, and information regarding the engagement such as scope of work, engagement period, partners, and total hours.
- 4.3 Offeror shall provide proof that it has been actively engaged with the Governmental Accounting Standards Board's (GASB) standards setting process and is current on all related training and near term pronouncements.

5.0 SCOPE OF SERVICES

All proposals must be made on the basis of, and either meet or exceed, the requirements contained herein. All offerors must be able to provide:

- 5.1 Conduct various types of audits for a wide variety of local government programs and services. Types of audits may include fiscal, contract, performance, compliance, forensic audits as designated by the County during the year. Audit projects may be subject to the following current requirements:
 - A. The standards applicable to audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.
 - B. Generally Accepted Government Auditing Standards (GAGAS i.e. the "Yellow Book").
 - C. The Institute of Internal Auditors Standards for the Professional Practice of Internal Auditing of Local Governments.

- D. The standards applicable to Specifications for Audits of Counties, Cities, and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
 - E. Statements on auditing standards issued by the American Institute of Certified Public Accountants (AICPA).
- 5.2 The Department of Management and Budget, as directed by the Office of the County Administrator and/or the Board of Supervisors, will serve as Project Manager and assign each project on a task order basis during the year. There is no guarantee as to the number of projects to be assigned under this contract. The County reserves the right to issue a separate solicitation for any project and/or enter into more than one contract based upon the selected firm(s) areas of expertise. The Contractor shall not commence the service for any project until a purchase order has been issued and a Notice to Proceed has been issued for that project by the County.
- 5.3 Provide a detailed audit work plan and time line for each audit assigned, describing the individual tasks to be performed and the relative schedule of those tasks.
- 5.4 In order to ensure a coordinated effort during the course of the contract and upcoming audits, the Contractor agrees that prior to commencing the engagement, the following shall occur:
- A. The audit staff will meet with County staff to discuss the scope of each audit project.
 - B. The Contractor shall identify and provide information on the size, quality and experience level of the engagement team prior to the start of the audit, unless waived by the County.
- 5.5 Prepare a report that summarizes the analysis, findings and recommendations or other agreed upon deliverables for each audit: The report should include the following sections:
- A. Executive Summary
 - B. Background
 - C. Objectives, Scope and Methodology
 - D. Findings
 - E. Recommendations
 - F. Auditee Response
- The Consultant shall distribute and present the draft report to the Project Manager for review and comment prior to finalization and preparation of the final report.
- 5.6 Present the final report with findings and recommendations to the Finance, Government Operations, and Economic Development Committee.

- 5.7 All working papers and reports must be retained, at the auditor's expense, in compliance with the Code of Virginia record retention requirements, unless the Contractor is notified in writing by the County of the need to extend the retention period. The Contractor shall make working papers available, upon request, to the County.

6.0 TERMS AND CONDITIONS

The Contract with the successful offeror will contain the following Terms and Conditions. Offerors taking exception to these terms and conditions or intending to propose additional or alternative language must (a) identify with specificity the County terms and conditions to which they take exception or seek to amend or replace; and (b) include any additional or different language with their proposal. Failure to both identify with specificity those terms and conditions offeror takes exception to or seeks to amend or replace as well as to provide offeror's additional or alternate Contract terms may result in rejection of the proposal. **While the County may accept additional or different language if so provided with the proposal, the Terms and Conditions marked with an asterisk (*) are mandatory and non-negotiable.**

6.1 Procedures

The extent and character of the services to be performed by the Contractor shall be subject to the general control and approval of the Director of Management and Budget or his/her authorized representative(s). The Contractor shall not comply with requests and/or orders issued by other than the Director of Management and Budget or his/her authorized representative(s) acting within their authority for the County. Any change to the Contract must be approved in writing by the Division of Procurement and the Contractor.

6.2 Term

The Contract shall cover the period from August 15, 2018 through August 14, 2019, or an equivalent period depending upon date of Contract award.

This Contract may be renewed at the expiration of the initial term at the request of the County. The renewal may be for up to five (5) additional one (1) year periods. Unless otherwise agreed to by the parties or as may be required by law, any renewal shall be based on the same terms and conditions as the initial term with the exception of price or rates. Initial rates and subsequent renewal rates are guaranteed for a minimum of twelve (12) months. Any increase in rates after the initial term or any renewal term shall be limited to the prior year's increase in the Consumer Price Index for All Urban Consumers (CPI-U), Other Goods and Services, Financial Services (unadjusted for seasonal changes) for the current twelve month period.

6.3 Delays and Delivery Failures

Time is of the essence. The Contractor must keep the County advised at all times of status of parties' agreement. If delay is foreseen, the Contractor shall give immediate written notice to the Division of Procurement. Should the Contractor fail to deliver the proper item(s)/service(s) at the time and place(s) contracted for, or within a reasonable period of time thereafter as agreed to in

writing by the Division of Procurement, or should the Contractor fail to make a timely replacement of rejected items/services when so required, the County may purchase items/services of comparable quality and quantity in the open market to replace the undelivered or rejected items/services. The Contractor shall reimburse the County for all costs in excess of the Agreement price when purchases are made in the open market; or, in the event that there is a balance the County owes to the Contractor from prior transactions, an amount equal to the additional expense incurred by the County as a result of the Contractor's nonperformance shall be deducted from the balance as payment.

6.4 Business, Professional and Occupational License Requirement

All firms or individuals located or doing business in Loudoun County are required to be licensed in accordance with the County's "Business, Professional, and Occupational Licensing (BPOL) Tax" Ordinance.

Wholesale and retail merchants without a business location in Loudoun County are exempt from this requirement. Questions concerning the BPOL Tax should be directed to the Office of Commissioner of Revenue, telephone (703) 777-0260.

6.5 Payment of Taxes

All Contractors located or owning property in Loudoun County shall assure that all real and personal property taxes are paid.

The County will verify payment of all real and personal property taxes by the Contractor prior to the award of any Contract or Contract renewal.

6.6 Insurance

A. The Contractor shall be responsible for its work and every part thereof, and for all materials, tools, equipment, appliances, and property of any and all description used in connection therewith. The Contractor assumes all risk of direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract.

B. The Contractor and all subcontractors shall, during the continuance of the work under the Contract, provide the following:

1. Workers' Compensation and Employer's Liability to protect the Contractor from any liability or damages for any injuries (including death and disability) to any and all of its employees, including any and all liability or damage which may arise by virtue of any statute or law in force within the Commonwealth of Virginia.

2. Comprehensive General Liability insurance to protect the Contractor, and the interest of the County, its officers,

employees, and agents against any and all injuries to third parties, including bodily injury and personal injury, wherever located, resulting from any action or operation under the Contract or in connection with the contracted work. The General Liability insurance shall also include the Broad Form Property Damage endorsement, in addition to coverage for explosion, collapse, and underground hazards, where required.

3. Automobile Liability insurance, covering all owned, non-owned, borrowed, leased, or rented vehicles operated by the Contractor.
4. Professional Liability against any and all wrongful acts, errors, or omissions on the part of the Contractor resulting from any action or operation under the Contract or in connection with the contracted work.

C. The Contractor agrees to provide the above referenced policies with the following limits. Liability insurance limits may be arranged by General, Automobile and Professional Liability policies for the full limits required, or by a combination of underlying policies for lesser limits with the remaining limits provided by an Excess or Umbrella Liability policy

1. Workers' Compensation:

Coverage A:	Statutory
Coverage B:	\$100,000
2. General Liability:

Per Occurrence:	\$1,000,000
Personal/Advertising Injury:	\$1,000,000
General Aggregate:	\$2,000,000
Products/Completed Operations:	\$2,000,000
Fire Damage Legal Liability:	\$100,000

GL Coverage, excluding Products and Completed Operations, should be on a Per Project Basis

3. Automobile Liability:

Combined Single Limit:	\$1,000,000
------------------------	-------------
4. Professional Liability:

Per Occurrence:	\$1,000,000
General Aggregate:	\$1,000,000

D. The following provisions shall be agreed to by the Contractor:

1. No change, cancellation, or non-renewal shall be made in any insurance coverage without a forty-five (45) day written notice to

the County. The Contractor shall furnish a new certificate prior to any change or cancellation date. The failure of the Contractor to deliver a new and valid certificate will result in suspension of all payments until the new certificate is furnished.

2. Liability Insurance "Claims Made" basis:

If the liability insurance purchased by the Contractor has been issued on a "claims made" basis, the Contractor must comply with the following additional conditions. The limits of liability and the extensions to be included as described previously in these provisions, remain the same. The Contractor must either:

- a. Agree to provide, prior to commencing work under the Contract, certificates of insurance evidencing the above coverage for a period of two (2) years after final payment for the Contract for General Liability policies and five (5) years for Professional Liability policies. This certificate shall evidence a "retroactive date" no later than the beginning of the Contractor's work under this Contract, or
- b. Purchase the extended reporting period endorsement for the policy or policies in force during the term of this Contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.

3. The Contractor must disclose the amount of deductible/self-insured retention applicable to the General Liability, Automobile Liability and Professional Liability policies, if any. The County reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible/self-insured plan. If this provision is utilized, the Contractor will be permitted to provide evidence of its ability to fund the deductible/self-insured retention.

4. a. The Contractor agrees to provide insurance issued by companies admitted within the Commonwealth of Virginia, with the Best's Key Rating of at least A:VII.
- b. European markets including those based in London, and the domestic surplus lines market that operate on a non-admitted basis are exempt from this requirement provided that the Contractor's broker can provide financial data to establish that a market's policyholder surpluses are equal to or exceed the surpluses that correspond to Best's A:VII Rating.

5.
 - a. The Contractor will provide an original signed Certificate of Insurance and such endorsements as prescribed herein.
 - b. The Contractor will provide on request certified copies of all insurance coverage related to the Contract within ten (10) business days of request by the County. These certified copies will be sent to the County from the Contractor's insurance agent or representative. Any request made under this provision shall be deemed confidential and proprietary.
 - c. Any certificates provided shall indicate the Contract name and number.
6. The County, its officers and employees shall be Endorsed to the Contractor's Automobile and General Liability policies as an "additional insured" with the provision that this coverage "is primary to all other coverage the County may possess." (Use "loss payee" where there is an insurable interest). A Certificate of Insurance evidencing the additional insured status must be presented to the County along with a copy of the Endorsement.
7. Compliance by the Contractor with the foregoing requirements as to carrying insurance shall not relieve the Contractor of their liabilities provisions of the Contract.
- E. Contractual and other Liability insurance provided under this Contract shall not contain a supervision, inspection or engineering services exclusion that would preclude the County from supervising and/or inspecting the project as to the end result. The Contractor shall assume all on-the-job responsibilities as to the control of persons directly employed by it.
- F. Precaution shall be exercised at all times for the protection of Persons (including employees) and property.
- G. The Contractor is to comply with the Occupational Safety and Health Act of 1970, Public Law 91-956, as it may apply to this Contract.
- H. Any loss insured under subparagraph 6.7.B.4 is to be adjusted with the County and made payable to the County as trustee for the requirements of any applicable mortgagee clause.
- I. If an "ACORD" Insurance Certificate form is used by the Contractor's insurance agent, the words "endeavor to" and ". . . but failure to mail

such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" paragraph of the form shall be deleted.

J. The Contractor agrees to waive all rights of subrogation against the County, its officers, employees, and agents.

6.7 Hold Harmless

The Contractor shall, indemnify and hold harmless the County, including its officials and employees, from all liability, losses, costs, damages, claims, causes of action, and suits of any nature (specifically including reasonable attorney's fees and defense costs of third party claims) incidental to or brought as a consequence of any negligent act, error, omission, or breach of the applicable standard of care by the Contractor and or its subcontractors. The Contractor agrees that this clause shall include claims involving infringement of patent or copyright. This section shall survive the Contract. The County is prohibited from indemnifying Contractor and/or any other third parties.

6.8 Safety

All Contractors and subcontractors performing services for the County are required and shall comply with all Occupational Safety and Health Administration (OSHA), State and County Safety and Occupational Health Standards and any other applicable rules and regulations. Also all Contractors and subcontractors shall be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this Contract.

6.9 Notice of Required Disability Legislation Compliance*

The County is required to comply with state and federal disability legislation: The Rehabilitation Act of 1973 Section 504, The Americans with Disabilities Act (ADA) for 1990 Title II and The Virginians with Disabilities Act of 1990.

Specifically, Loudoun County, may not, through its contractual and/or financial arrangements, directly or indirectly avoid compliance with Title II of the Americans with Disabilities Act, Public Law 101-336, which prohibits discrimination by public entities on the basis of disability. Subtitle A protects qualified individuals with disability from discrimination on the basis of disability in the services, programs, or activities of all State and local governments. It extends the prohibition of discrimination in federally assisted programs established by the Rehabilitation Act of 1973 Section 504 to all activities of State and local governments, including those that do not receive Federal financial assistance, and incorporates specific prohibitions of discrimination on the basis of disability in Titles I, III, and V of the Americans with Disabilities Act. The Virginians with Disabilities Act of 1990 follows the Rehabilitation Act of 1973 Section 504.

6.10 Ethics in Public Contracting *

The provisions contained in §§ 2.2-4367 through 2.2-4377 of the Virginia Public Procurement Act as set forth in the 1950 Code of Virginia, as amended, shall be

applicable to all Contracts solicited or entered into by the County. A copy of these provisions may be obtained from the Purchasing Agent upon request.

The above-stated provisions supplement, but do not supersede, other provisions of law including, but not limited to, the Virginia State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.), the Virginia Governmental Frauds Act (§ 18.2-498.1 et seq.) and Articles 2 and 3 of Chapter 10 of Title 18.2. The provisions apply notwithstanding the fact that the conduct described may not constitute a violation of the Virginia State and Local Government Conflict of Interests Act.

6.11 Employment Discrimination by Contractors Prohibited *

Every Contract of over \$10,000 shall include the following provisions:

- A. During the performance of this Contract, the Contractor agrees as follows:
 - 1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, 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 Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - 2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, shall state that such Contractor is an equal opportunity employer.
 - 3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.
- B. The Contractor will include the provisions of the foregoing paragraphs, 1, 2, and 3 in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

6.12 Drug-free Workplace*

Every Contract of over \$10,000 shall include the following provisions:

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor'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 Contractor'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 behalf of the Contractor that the Contractor 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.

For the purpose of this section, “drug-free workplace” means a site for the performance of work done in connection with a specific Contract awarded to a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of the Contract.

6.13 Faith-Based Organizations*

The County does not discriminate against faith-based organizations.

6.14 Immigration Reform and Control Act of 1986*

By entering this Contract, the Contractor certifies that it does not and will not during the performance of this Contract violate the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.

6.15 Workmanship and Inspection

All work under this Contract shall be performed in a skillful and workmanlike manner. The Contractor and its employees shall be professional and courteous at all times. The County reserves the right to require immediate removal of any Contractor employee from County service it deems unfit for service for any reason, not contrary to law. This right is non-negotiable and the Contractor agrees to this condition by accepting this Agreement. Further, the County may, from time to time, make inspections of the work performed under the Agreement. Any inspection by the County does not relieve the Contractor of any responsibility in meeting the Agreement requirements.

The Contractor will have all employees working at County sites wear photo identification (frontal face). This identification must be prominently displayed at all times. No one with a felony conviction may be employed under this Agreement. The Contractor MUST remove any employee from County service who is convicted of a felony during his or her employment.

6.16 Substitutions

NO substitutions, additions or cancellations, including those of key personnel, are permitted after Contract award without written approval by the Division of Procurement. Where specific employees are proposed by the Contractor for the work, those employees shall perform the work as long as those employees work for the Contractor, either as employees or subcontractors, unless the County agrees to a substitution. Requests for substitutions will be reviewed by the County and approval may be given by the County at its sole discretion.

6.17 Exemption from Taxes*

Pursuant to Va. Code § 58.1-609.1, the County is exempt from Virginia State Sales or Use Taxes and Federal Excise Tax, therefore the Contractor shall not

charge the County for Virginia State Sales or Use Taxes or Federal Excise Tax on the finished goods or products provided under the Contract. However, this exemption does not apply to the Contractor, and the Contractor shall be responsible for the payment of any sales, use, or excise tax it incurs in providing the goods required by the Contract, including, but not limited to, taxes on materials purchased by a Contractor for incorporation in or use on a construction project. Nothing in this section shall prohibit the Contractor from including its own sales tax expense in connection with the Contract in its Contract price.

6.18 Ordering, Invoicing and Payment

All work requested under this Contract shall be placed on a County issued Purchase Order. The Contractor shall not accept credit card orders or payments.

Contractor shall submit invoices in duplicate at the end of each calendar month, such statement to include a detailed breakdown of all charges and shall be based on completion of tasks or deliverables for the period of time being billed and shall include progress reports.

Invoices shall be submitted to:

County of Loudoun, Virginia
Department of Management and Budget
Attention: Ms. Liz Weaver
P.O. Box 7000
Leesburg, VA 20177-7000
Physical Address:
1 Harrison Street, S.E., 4th Floor
Leesburg, VA 20177-7000

Upon receipt of invoice and final inspection and acceptance of the equipment and/or service, the County will render payment within forty-five (45) days unless any items thereon are questioned, in which event payment will be withheld pending verification of the amount claimed and the validity of the claim. The Contractor shall provide complete cooperation during any such investigation. Unless invoice items are questioned, the interest shall accrue at the rate of one percent (1%) per month for any late payments.

Individual Contractors shall provide their social security numbers, and proprietorships, partnerships, and corporations shall provide their federal employer identification number on the pricing form.

6.19 Payments to Subcontractors *

Within seven (7) days after receipt of amounts paid by the County for work performed by a subcontractor under this Contract, the Contractor shall either:

- A. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

- B. Notify the County and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment and the reason for non-payment.

The Contractor shall pay interest to the subcontractor on all amounts owed that remain unpaid beyond the seven (7) day period except for amounts withheld as allowed in item B. above.

Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements as set forth above with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to this provision may not be construed to be an obligation of the County.

6.20 Assignment*

The Agreement may not be assigned in whole or in part without the prior written consent of the Division of Procurement. The rights and obligations of the Contractor are personal and may be performed only by the Contractor. Any purported assignment that does not comply with this provision is void. This Agreement is binding upon and inures to the benefit of the parties and their respective permitted successors and assigns.

6.21 Termination

Subject to the provisions below, the Contract may be terminated by the County upon thirty (30) days advance written notice to the Contractor; but if any work or service hereunder is in progress, but not completed as of the date of termination, then the Contract may be extended upon written approval of the County until said work or services are completed and accepted.

A. Termination for Convenience

The County may terminate this Contract for convenience at any time in which the case the parties shall negotiate reasonable termination costs.

B. Termination for Cause

In the event of Termination for Cause, the thirty (30) days advance notice is waived and the Contractor shall not be entitled to termination costs.

C. Termination Due to Unavailability of Funds in Succeeding Fiscal Years

If funds are not appropriated or otherwise made available to support continuation of the performance of this Contract in a subsequent fiscal year, then the Contract shall be canceled and, to the extent permitted by law, the Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract.

6.22 Contractual Disputes*

The Contractor shall give written notice to the Purchasing Agent of intent to file a claim for money or other relief within ten (10) calendar days of the occurrence giving rise to the claim or at the beginning of the work upon which the claim is to be based, whichever is earlier.

The Contractor shall submit its invoice for final payment within thirty (30) days after completion or delivery.

The claim, with supporting documentation, shall be submitted to the Purchasing Agent by US Mail, return receipt requested, courier, or overnight delivery service, no later than sixty (60) days after final payment. If the claim is not disposed of by agreement, the Purchasing Agent shall reduce his/her decision to writing and mail via U.S. mail or otherwise forward a copy thereof to the Contractor within thirty (30) days of the County's receipt of the claim.

The Purchasing Agent's decision shall be final unless the Contractor appeals within thirty (30) days by submitting a written letter of appeal to the County Administrator, or his designee. The County Administrator shall render a decision within sixty (60) days of receipt of the appeal.

No Contractor shall institute any legal action until all statutory requirements have been met. Each party shall bear its own costs and expenses resulting from any litigation, including attorney's fees.

6.23 Severability*

In the event that any provision shall be adjudged or decreed to be invalid, by a court of competent jurisdiction, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.

6.24 Governing Law/Forum

This Agreement shall be governed and construed in all respects by its terms and by the laws of the Commonwealth of Virginia, without giving effect to its conflicts of laws provisions. Any judicial action shall be filed in the Commonwealth of Virginia, County of Loudoun.. Contractor expressly waives any objection to venue or jurisdiction of the Loudoun County Circuit Court, Loudoun County, Virginia. Contractor expressly consents to waiver of service of process in an action pending in the Loudoun County Circuit Court pursuant to Virginia Code Section 8.01-286.1.

6.25 Notices

All notices and other communications hereunder shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered to an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

TO CONTRACTOR:

TBD

TO COUNTY:

County of Loudoun
Department of Finance and Procurement
Division of Procurement
P.O. Box 7000
Leesburg, VA 20177
Attn: Diane Smith

County of Loudoun
Department of Management and Budget
P.O. Box 7000
Leesburg, VA 20177
Attn: Liz Weaver

Notice is deemed to have been received: (i) on the date of delivery if delivered in person; (ii) on the first business day after the date of delivery if sent by same day or overnight courier service; or (iii) on the third business day after the date of mailing, if sent by certified or registered United States Mail, return receipt requested, postage and charges prepaid.

6.26 Authority to Transact Business in Virginia*

A Contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described herein that enters into a Contract with the County pursuant to the Virginia Public Procurement Act 2.2-4300 et seq. shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50 of the Code of Virginia, to be revoked or cancelled at any time during the term of the Contract. The County may void any Contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

6.27 Licensure

To the extent required by the Commonwealth of Virginia (see e.g. 54.1-1100 et seq. of the Code of Virginia) or the County, the Contractor shall be duly licensed to perform the services required to be delivered pursuant to this Contract.

6.28 Confidentiality

A. Contractor Confidentiality

The Contractor acknowledges and understands that its employees may have access to proprietary, business information, or other confidential

information belonging to the County of Loudoun. Therefore, except as required by law, the Contractor agrees that its employees will not:

1. Access or attempt to access data that is unrelated to their job duties or authorizations as related to this Contract.
2. Access or attempt to access information beyond their stated authorization.
3. Disclose to any other person or allow any other person access to any information related to the County or any of its facilities or any other user of this Contract that is proprietary or confidential. Disclosure of information includes, but is not limited to, verbal discussions, FAX transmissions, electronic mail messages, voice mail communication, written documentation, "loaning" computer access codes and/or another transmission or sharing of data.

The Contractor understands that the County, or others may suffer irreparable harm by disclosure of proprietary or confidential information and that the County may seek legal remedies available to it should such disclosure occur. Further, the Contractor understands that violations of this provision may result in Contract termination.

The Contractor further understands that information and data obtained during the performance of this agreement shall be considered confidential, during and following the term of this Contract, and will not be divulged without the Purchasing Agent's written consent and then only in strict accordance with prevailing laws. The Contractor shall hold all information provided by the County as proprietary and confidential, and shall make no unauthorized reproduction or distribution of such material.

B. County Confidentiality

The County understands that certain information provided by the Contractor during the performance of this Agreement may also contain confidential or proprietary information. Contractor acknowledges that this Contract and public records (as defined by §2.2-3701 of the Virginia Freedom of Information Act) provided pursuant to this Contract are subject to the Virginia Freedom of Information Act §§2.2-3700 et seq. and the Virginia Public Procurement Act §2.2-4342 of the Code of Virginia.

6.29 Counterparts

This Contract and any amendments or renewals hereto may be executed in a number of counterparts, and each counterpart signature, when taken with the other counterpart signatures, is treated as if executed upon one original of this Contract or any amendment or renewal. A signature by any party to this Contract provided by facsimile or electronic mail is binding upon that party as if it were the original.

6.30 No Smoking

Smoking in all County buildings is prohibited. The County may designate a smoking area outside County facilities. Contractor shall only use those designated smoking areas. Certain County facilities, both inside and outside, may be entirely smoke free. Contractor shall inquire of the Contract Administrator or designee if a facility is entirely smoke free. Failure to adhere to the County's no smoking policies may lead to removal of Contractor employees and possible Contract termination.

6.31 Background Checks

The Contractor shall obtain background checks on all personnel who will be assigned to County buildings working in any capacity including supervision. The background check MUST be completed and received by the County Contract Administrator before any personnel can work on County property.

The Contractor should have enough qualified people with current background checks so as to be able to provide a replacement within twenty-four (24) hours. It is recommended that the Contractor keep on file with the Contract Administrator a list of persons who may work at County properties so that replacements can be quickly made. Should a replacement take longer than twenty-four (24) hours, this may be cause for termination of the Agreement. Should the Contractor assign someone who has not had a background check, that person will be immediately ordered off of County property and the Contractor may not bill the County for any hours worked. No one with a felony conviction may be employed under this Agreement. The Contractor MUST remove any employee from County service who is convicted of a felony during his or her employment. After initial background checks have been made, they must be done annually for any person working at County sites after one (1) year. Failure to obtain background checks as specified can result in termination of the Agreement.

6.32 Force Majeure

A party is not liable for failure to perform the party's obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, strikes at national level or industrial disputes at a national level, or strike or industrial disputes by labor not employed by the affected party, its subcontractors or its suppliers and which affect an essential portion of the contracted for works but excluding any industrial dispute which is specific to the performance of the works or this contract, interruption or failure of electricity or telephone service.

If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, that party must immediately notify the other party giving full particulars of the event of force majeure and the reasons for the event of force majeure preventing that party from, or delaying that party in performing its

obligations under this contract and that party must use its reasonable efforts to mitigate the effect of the event of force majeure upon its or their performance of the contract and to fulfill its or their obligations under the contract.

An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event, nor does that event affect the obligation to pay money in a timely manner which matured prior to the occurrence of that event.

The Contractor has no entitlement and County has no liability for: (1) any costs, losses, expenses, damages or the payment of any part of the contract price during an event of force majeure; and (2) any delay costs in any way incurred by the contractor due to an event of force majeure.

6.33 Survival of Terms

Upon discharge of this Agreement, Sections (Notice, Hold Harmless, Governing Law/Forum, Contractual Disputes) of these Terms and Conditions continue and survive in full force and effect.

6.34 Non-Waiver

No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of this Agreement constitute a continuing waiver unless otherwise expressly provided.

6.35 Non-Exclusivity

This agreement does not limit the County's right to independently contract with another independent certified public accountant or accounting firm to perform similar audit services.

6.36 Health Insurance Portability and Accountability Act (HIPAA)

The Contractor hereby certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 [HIPAA] (Public Law 104-191) Privacy Rule. The Contractor agrees that upon termination of this Agreement, it will return or destroy all protected health information (PHI) received from County. If return or destruction is not possible, Contractor will extend the protection of the Agreement to the information and limit further uses and disclosures that make the return or destruction impossible. The Contractor also agrees to use reasonable administrative, technical and physical safeguards to ensure the integrity and confidentiality of all PHI that it receives or possesses from the County and that it will protect the health information against reasonable anticipated threats or hazards to the security or integrity of the information and unauthorized uses or disclosures of the information. The Contractor shall be obligated by this Agreement to advise the County within forty-eight (48) hours of occurrence of any HIPAA Privacy Rule violations.

In the event the County becomes aware of a HIPAA violation, the County will take reasonable steps up to and including termination of this Agreement to ensure that the Contractor ends the violation. Failure to end the violation will result in County notification of the federal, state and local authorities.

7.0 EVALUATION OF PROPOSALS: SELECTION FACTORS

The criteria set forth below will be used in the receipt of proposals and selection of the successful offeror.

The County Proposal Analysis Group (PAG) will review and evaluate each proposal and selection will be made on the basis of the criteria listed below. The offerors shall include with their proposal, a statement on the following:

- 7.1 Overall audit approach, understanding of the County's operations, and the ability to meet/exceed the Scope contained in Section 5.0. (35 points)
- 7.2 Experience and professional qualifications of the project team including licensing and continuing professional education programs, state and local government accounting, auditing, and financial reporting (30 points)
- 7.3 Overall quality and completeness of proposal (and interview if shortlisted) (5 points):
- 7.4 Compliance with Contract Terms and Conditions contained in Section 6.0 (10 points)
- 7.5 Cost of Service (**shortlisted firms only**) (20 points)

The PAG will collectively develop a composite preliminary rating which indicates the group's collective ranking of the highest rated proposals in a descending order. The PAG may then conduct interview with only the top ranked offerors, usually the top two (2) or three (3) depending upon the number and quality of the proposal received. If an offeror is selected for interview and subsequent discussion, that offeror must submit the required pricing form containing a non-binding estimate of the cost of services. These forms, **provided in the original solicitation**, must be submitted to the County within one (1) working days of notification. During the interview process and discussion stage, the non-binding price proposals and costing data sheets can be discussed. Once these interview and discussions are complete, the PAG will finalize the rankings.

Final negotiations for a binding estimate of cost will begin with the top ranked firm. If a Contract acceptable to the County cannot be negotiated at a price considered fair and reasonable, negotiations shall be terminated with the top ranked firm and negotiations conducted with the next ranked firm, and so on. The PAG will conduct all subsequent negotiations and will make a recommendation for Contract award.

8.0 PROPOSAL SUBMISSION FORMAT

Offerors are to make written proposals that present the offeror qualifications and understanding of the work to be performed. Offerors shall address each of the specific evaluation criteria listed below. Failure to include any of the requested information may be cause for the proposal to be considered non-responsive and rejected.

- 8.1 Executive Summary Letter to include:

- A. A statement affirming that it is independent of the County and all of its component units as defined by U.S. generally accepted auditing standards and the Government Auditing Standards issued by the Comptroller General of the United States.
 - B. A commitment to perform the work as required in the RFP.
 - C. A statement as to why the offeror believes itself to be the best qualified to perform the work.
 - D. Any uniquely specific information the offeror wishes to highlight.
- 8.2 Minimum Qualifications documentation (Section 4.0)
- 8.3 Overall audit approach and ability to meet/exceed the Scope of Services in Section 5.0. Please provide a sample from a prior audit, showing the following:
- A. Provide a detailed explanation of the audit approach your firm pursued.
 - B. To demonstrate your audit approach:
 - 1. Proposed phases into which the assigned audit project was divided
 - 2. Time estimates and anticipated deliverables for each significant phase
 - 3. Type and extent of analytical procedures used in the audit project
 - 4. Approach taken in use of best practices or professional standards to audit test work
 - 5. Approach taken in determining laws and regulations that were subject to audit test work
 - 6. Approach taken in drawing audit samples for purposes of tests or compliance
 - C. Describe an audit problem encountered, the firm's approach to resolving those problems, and any special assistance that was requested.
- 8.4 Experience and professional qualifications of the audit team including licensing and continuing professional education programs in program evaluation, state and local government accounting, auditing, and financial reporting.
- A. Provide information on the organization and size of the firm, and whether it is local, regional, national, or international in operations.
 - B. Provide information on the offeror's governmental audit staff, both locally and nationally.
 - C. Provide the location of the office from which the work on this engagement is to be performed and the number and nature of professional staff available to work on the County's audit projects on a full time basis and the number and nature of the staff available to work on the County's audit projects on a part time basis.
 - D. Submit a copy of a current internal audit report.

- E. Provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years by state regulatory bodies and/or professional organizations.
 - G. Identify the principal supervisory and management staff, including engagement partners, managers, and other supervisors who may be assigned to the County's audits. Indicate whether each person is registered or licensed to practice as a certified public accountant in Virginia. Provide resumes and information on specific government auditing and program evaluation experience for each person.
 - H. Describe the type of ongoing training and professional development your company's staff receive.
 - J. Indicate how the quality of staff over the term of the agreement will be assured.
 - K. Describe the average level of education and government experience the day to day specialists and auditors have.
 - L. Provide an affirmation that it shall comply with AICPA Interpretation 501-3, Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits.
- 8.5 Compliance with Contract Terms and Conditions
- A. Provide a statement of compliance with the Contract Terms and Conditions as contained in Section 6.0.
 - B. Specifically list any deviations and provide justification. (Please note that the County will not accept any language that requires the County to indemnify and/or hold harmless the Offeror.)

9.0 INSTRUCTIONS FOR SUBMITTING PROPOSALS

9.1 Preparation and Submission of Proposals

- A. Before submitting a proposal, read the ENTIRE solicitation including the Contract Terms and Conditions. Failure to read any part of this solicitation will not relieve an offeror of the Contractual obligations.
- B. Pricing must be submitted on RFP pricing form only (**shortlisted firms only**). Include other information, as requested or required.
- C. All proposals must be submitted to the Division of Procurement in a sealed container. The face of the sealed container shall indicate the RFP number, time and date of opening and the title of the RFP.
- D. All proposals shall be signed in ink by the individual or authorized principals of the firm.
- E. All attachments to the RFP requiring execution by the offeror are to be returned with the proposal.

- F. Proposals must be received by the Division of Procurement prior to 4:00 p.m., local Atomic time on June 18, 2018. An atomic clock is located in the Division of Procurement and can also be verified by visiting <http://www.time.gov/timezone.cgi?Eastern/d/-5/java>. Requests for extensions of this time and date will not be granted, unless deemed to be in the County's best interest. Offerors mailing their proposals shall allow for sufficient mail time to ensure receipt of their proposals by the Division of Procurement by the time and date fixed for acceptance of the proposals. Proposals or unsolicited amendments to proposals received by the County after the acceptance date and time will not be considered. proposals will be publicly accepted and logged in at the time and date specified above.
- G. Proposals may be submitted via US Mail to the County of Loudoun, Division of Procurement, P.O. Box 7000, Leesburg, Virginia 20177-7000; or hand delivered or private carrier (UPS/FedEx) to the County of Loudoun, Division of Procurement, 1 Harrison Street, S.E., 4th Floor, Leesburg, Virginia 20175. Faxed and e-mailed proposals will not be accepted.
- (Please note: Offerors choosing to submit proposals via US Mail should allow *at least* an additional twenty-four (24) hours in the delivery process for internal County mailroom distribution).
- H. Each offeror shall submit one (1) original and five (5) copies of their proposal to the County's Division of Procurement as indicated on the cover sheet of this RFP.

9.2 Questions and Inquiries

Questions and inquiries, both oral and written, will be accepted from any and all offerors. However, when requested, complex oral questions shall be submitted in writing. The Division of Procurement is the sole point of contact for this solicitation unless otherwise instructed herein. Unauthorized contact with other Loudoun County staff regarding the RFP may result in the disqualification of the offeror. Inquiries pertaining to the RFP must give the RFP number, time and date of opening and the title of the RFP. Material questions will be answered in writing with an Addendum provided, however, that all questions are received *by 11:00 a.m. June 6, 2018*. It is the responsibility of all offerors to ensure that they have received all Addendums and to include signed copies with their proposal. Addendums can be downloaded from www.loudoun.gov/procurement.

9.3 Proprietary Information

Trade secrets or proprietary information submitted by an offeror in connection with this solicitation shall not be subject to disclosure under the Virginia Freedom of Information Act; however, **pursuant to § 2.2-4342 of the Code of Virginia, the offeror must invoke the protections of this section prior to or upon submission of the data or other materials to be protected, and must clearly identify the data or other materials to be protected and state**

the reasons why protection is necessary. Failure to abide by this procedure may result in disclosure of the offeror's information. Offerors shall not mark sections of their proposal as proprietary if they are to be part of the award of the Contract and are of a "Material" nature.

9.4 Firm Pricing for County Acceptance

Proposal pricing must be firm for County acceptance for a minimum of ninety (90) days from proposal receipt date. "Discount from list" proposals are not acceptable unless requested.

9.5 Authority to Bind Firm in Contract

Proposals MUST give full firm name and address of offeror. Failure to manually sign proposal may disqualify it. Person signing proposal should show TITLE or AUTHORITY TO BIND THE FIRM IN A CONTRACT. Firm name and authorized signature must appear on proposal in the space provided on the pricing page. Those authorized to sign are as follows:

If a sole proprietorship, the owner may sign.

If a general partnership, any general partner may sign.

If a limited partnership, a general partner must sign.

If a limited liability company, a "member" may sign or "manager" must sign if so specified by the Articles of Organization.

If a regular corporation, the CEO, President or Vice-President must sign.

Others may be granted authority to sign but the County requires that a corporate document authorizing him/her to sign be submitted with proposal.

9.6 Withdrawal of Proposals

A. All proposals submitted shall be valid for a minimum period of ninety (90) calendar days following the date established for acceptance.

B. Proposals may be withdrawn on written request from the offeror at the address shown in the solicitation prior to the time of acceptance.

C. Negligence on the part of the offeror in preparing the proposal confers no right of withdrawal after the time fixed for the acceptance of the proposals.

9.7 County Furnished Support/Items

The estimated level of support required from County personnel for the completion of each task shall be estimated by position and man days.

The offeror shall indicate the necessary telephones, office space and materials the offeror requires. The County may furnish these facilities if the County considers them reasonable, necessary, and available for the offeror to complete its task.

9.8 Subcontractors

Offerors shall include a list of all subcontractors in their proposal. Proposals shall also include a statement of the subcontractors' qualifications. The County reserves the right to reject the successful offeror's selection of subcontractors for good cause. If a subcontractor is rejected, the offeror may replace that

subcontractor with another subcontractor subject to the approval of such contractor by the County. Any such replacement shall be at no expense to the County nor shall it result in an extension of time without County approval.

9.9 References

All offerors shall include with their proposals, a list of at least three (3) current references for whom comparable work has been performed. This list shall include company name, person to contact, address, telephone number, fax number, e-mail address, and the nature of the work performed. Failure to include references shall be cause for rejection of proposal as non-responsible. Offeror hereby releases listed references from all claims and liability for damages that may result from the information provided by the reference.

9.10 Late Proposals

LATE proposals shall be returned to offeror UNOPENED, if RFP number, acceptance date and offeror's return address is shown on the container.

9.11 Rights of County

The County reserves the right to accept or reject all or any part of any proposal, waive informalities, and award the contract to best serve the interest of the County. Informality shall mean a minor defect or variation of a proposal from the exact requirements of the Request for Proposal which does not affect the price, quality, quantity, or delivery schedule for the goods, services or construction being procured.

9.12 Prohibition as Subcontractors

No offeror who is permitted to withdraw a proposal shall, for compensation, supply any material or labor to or perform any subcontract or other work agreement for the person or firm to whom the contract is awarded or otherwise benefit, directly or indirectly, from the performance of the project for which the withdrawn proposal was submitted.

9.13 Proposed Changes to Scope of Services

If there is any deviation from that prescribed in the scope of services, the appropriate line in the scope of services shall be ruled out and the substitution clearly indicated. The County reserves the right to accept or reject any proposed change to the scope.

9.14 Notice of Award

A Notice of Award will be posted on the County's web site (www.loudoun.gov/procurement) and on the bulletin board located in the Division of Procurement, 4th floor, One Harrison St, SE, Leesburg, Virginia 20175.

9.15 Protest

Offerors may refer to §§ 2.2-4357 through 2.2-4364 of the Code of Virginia to determine their remedies concerning this competitive process. Protests shall be submitted to the Director, Finance and Procurement.

9.16 Miscellaneous Requirements

- A. The County will not be responsible for any expenses incurred by a firm in preparing and submitting a proposal. All proposals shall provide a straight-forward, concise delineation of the firm's capabilities to satisfy the requirements of this request. Emphasis should be on completeness and clarity of content.
- B. Offerors who submit a proposal in response to this RFP may be required to make an oral presentation of their proposal. The Division of Procurement will schedule the time and location for this presentation.
- C. Selected contents of the proposal submitted by the successful offeror and this RFP will become part of any contract awarded as a result of the Scope of Services contained herein. The successful firm will be expected to sign a contract with the County.
- D. The County reserves the right to reject any and all proposals received by reason of this request, or to negotiate separately in any manner necessary to serve the best interests of the County. Offerors who proposals are not accepted may be notified in writing.

9.17 Debarment

By submitting a proposal, the offeror is certifying that offeror is not currently debarred by the County, or in the case of a procurement involving federal funds, by the Federal Government. A copy of the County's debarment procedure in accordance with § 2.2-4321 of the Code of Virginia is available upon request.

9.18 Proof of Authority to Transact Business in Virginia

An offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its bid or proposal the identification number issued to it by the State Corporation Commission. Any offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law shall include in its bid or proposal a statement describing why the offeror is not required to be so authorized. Any offeror described herein that fails to provide the required information shall not receive an award unless a waiver of this requirement and the administrative policies and procedures established to implement this section is granted by the Purchasing Agent or his designee. The SCC may be reached at (804) 371-9733 or at <http://www.scc.virginia.gov/default.aspx>.

9.19 Cooperative Procurement

As authorized in § 2.2-4304 of the Code of Virginia, this procurement is being conducted on behalf of and may be used by public bodies, agencies, institutions and localities of the several states, territories of the United States, and the District of Columbia with the consent of the Contractor.

9.20 W-9 Form Required

Each offeror shall submit a completed W-9 form with their proposal. In the event of contract award, this information is required in order to issue purchase orders and payments to your firm. A copy of this form can be downloaded from <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

9.21 Insurance Coverage

Offerors shall include with their proposal a copy of their current Certificate of Insurance that illustrates the current level of coverage the offeror carries. The Certificate can be a current file copy and does not need to include any “additional insured” language for the County.

9.22 Legal Action

No offeror or potential offeror shall institute any legal action until all statutory requirements have been met.

9.23 Certification by Contractor as to Felony Convictions

No one with a felony conviction may be employed under this Contract and by the signature of its authorized official on the response to this Solicitation, the Contractor certifies that neither the contracting official nor any of the Contractor's employees, agents or subcontractors who will work under this Agreement have been convicted of a felony.



Loudoun County, Virginia

Division of Procurement
1 Harrison Street, 4th Floor,
Leesburg, Virginia 20175
Mailing Address: P.O. Box 7000, Leesburg, Virginia 20177-7000

10.0 MISCELLANEOUS FINANCIAL, COMPLIANCE AND PERFORMANCE AUDIT

THE FIRM OF: _____

Address: _____

FEIN _____

Hereby agrees to provide the requested services as defined in Request for Proposal No. RFQ 11773.

A. Return the following with your proposal. If offeror fails to provide with their proposal, items shall be provided within twenty-four (24) hours of proposal opening.

ITEM:	INCLUDED: (X)
1. W-9 Form:	_____
2. Certificate of Insurance:	_____
3. Addenda, if any (Informality):	_____

B. Failure to provide the following items with your proposal shall be cause for rejection of proposal as non-responsive and/or non-responsible. It is the responsibility of the offeror to ensure that it has received all Addenda and to include signed copies with their proposal (9.2).

ITEM:	INCLUDED: (X)
1. Addenda, if any:	_____
2. Payment Terms:	_____ net 30 or _____ Other
3. Proof of Authority to Transact Business in Virginia Form:	_____
4. Minimum Qualification Documentation:	_____
5. References:	_____
6. Proposal Submission Format	_____

Person to contact regarding this proposal: _____

Title: _____ Phone: _____ Fax: _____

E-mail: _____

Name of person authorized to bind the Firm (9.5): _____

Signature: _____ Date: _____

By signing and submitting a proposal, your firm acknowledges and agrees that it has read and understands the RFP documents.



Loudoun County, Virginia

www.loudoun.gov/procurement

Department of Management and Financial Services

Division of Procurement

P.O. Box 7000, Leesburg, VA 20177

Physical Address: 1 Harrison Street, S.E., 4th Floor, Leesburg, VA 20175

PROOF OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

THIS FORM MUST BE SUBMITTED WITH YOUR BID/PROPOSAL. FAILURE TO INCLUDE THIS FORM SHALL RESULT IN REJECTION OF YOUR BID/PROPOSAL

Pursuant to Virginia Code §2.2-4311.2, a bidder/offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its bid/ proposal the identification number issued to it by the State Corporation Commission ("SCC"). Any bidder/offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law shall include in its bid or proposal a statement describing why the offeror is not required to be so authorized. Any bidder/offeror described herein that fails to provide the required information shall not receive an award unless a waiver of this requirement and the administrative policies and procedures established to implement this section is granted by the Purchasing Agent or his designee.

If this bid/proposal for goods or services is accepted by the County of Loudoun, Virginia, the undersigned agrees that the requirements of the Code of Virginia Section 2.2-4311.2 have been met.

Please complete the following by checking the appropriate line that applies and providing the requested information.
PLEASE NOTE: The SCC number is NOT your federal ID number or business license number.

A. _____ Bidder/offeror is a Virginia business entity organized and authorized to transact business in Virginia by the SCC and such bidder's/offeror's Identification Number issued to it by the SCC is _____.

B. _____ Bidder/offeror is an out-of-state (foreign) business entity that is authorized to transact business in Virginia by the SCC and such bidder's/offeror's Identification Number issued to it by the SCC is _____.

C. _____ Bidder/offeror does not have an Identification Number issued to it by the SCC and such bidder/offeror is not required to be authorized to transact business in Virginia by the SCC for the following reason(s):

Please attach additional sheets of paper if you need to explain why such bidder/offeror is not required to be authorized to transact business in Virginia.

Legal Name of Company (as listed on W-9)

Legal Name of Bidder/Offeror

Date

Authorized Signature

Print or Type Name and Title

HOW DID YOU HEAR ABOUT THIS REQUEST FOR PROPOSAL?

RFQ 11773

Please take the time to mark the appropriate line and return with your proposal.

<input type="checkbox"/> Associated Builders & contractors	<input type="checkbox"/> Loudoun Times Mirror
<input type="checkbox"/> Bid Net	<input type="checkbox"/> Our Web Site
<input type="checkbox"/> Builder's Exchange of Virginia	<input type="checkbox"/> NIGP
<input type="checkbox"/> Email notification from Loudoun County	<input type="checkbox"/> The Plan Room
<input type="checkbox"/> Dodge Reports	<input type="checkbox"/> Reed Construction Data
<input type="checkbox"/>	<input type="checkbox"/> Tempos Del Mundo
<input type="checkbox"/> India This Week	<input type="checkbox"/> Valley Construction News
<input type="checkbox"/> LS Caldwell & Associates	<input type="checkbox"/> Virginia Business Opportunities
<input type="checkbox"/> Loudoun Co Small Business Development Center	<input type="checkbox"/> VA Dept. of Minority Business Enterprises
<input type="checkbox"/> Loudoun Co Chamber of Commerce	<input type="checkbox"/> RAPID

Other _____

SERVICE RESPONSE CARD

RFQ 11773

Date of Service: _____

How did we do?

Please let us know how we did in serving you. We'd like to know if we are serving you at an acceptable level.

How would you rate the way your request for this document was handled?

Excellent Good Average Fair Poor

Did you have contact with Procurement staff?

How would you rate the manner in which you were treated by the Procurement staff?

Excellent Good Average Fair Poor

How would you rate the overall response to your request?

Excellent Good Average Fair Poor

COMMENTS:

Thank you for your response!
We can better assess our service to *you* through feedback from *you*.

Your Name: _____

Address: _____

Phone: _____ (day) _____ evening

**Please return completed form to: Patty Cogle • Procurement •
PO Box 7000 • Leesburg, VA 20177**



Cooperative Rider Clause

The Mid-Atlantic Purchasing Team (MAPT) is the agreement between the Metropolitan Washington Council of Governments (“MWCOCG”) and the Baltimore Metropolitan Council (“BMC”) to aggregate the public entity and non-profit purchasing volumes in the Maryland, Virginia and Washington, D.C. region (“region”).

Format

A lead agency format is used to accomplish this work. The Lead Agency in this procurement has included this MAPT Cooperative Rider Clause in this solicitation indicating its willingness to allow other public entities to participate pursuant to the following Terms and Conditions:

1. Terms

- 1.1 Participating entities, through their use of the Cooperative Rider Clause, agree to the terms and conditions of the resulting contract to the extent that they can be reasonably applied to the participating entity.
- 1.2 Participating entities may also negotiate additional terms and conditions specific to their local requirements upon mutual agreement between the parties.

2. Other Conditions - Contract and Reporting

- 2.1. The contract resulting from this solicitation shall be governed by and "construed in accordance with the laws of the State/jurisdiction in which the participating entity officially is located;
- 2.2. To provide to MWCOCG and/or BMC contract usage reporting information, including but not limited to quantity, unit pricing and total volume of sales by entity, as well reporting other participating entities added on the contract, on demand and without further approval of contract participants;
- 2.3. Contract obligations rest solely with the participating entities only;
- 2.4. Significant changes in total contract value may result in further negotiations of contract pricing with the lead agency and participating entities.

In pricing and other conditions, vendors are urged to consider the broad reach and appeal of MAPT with public and non-profit entities in this region.

A list of the participating members of the Mid-Atlantic Purchasing Team can be found at the following web links www.mwcog.org/purchasing-and-bids/cooperative-purchasing/member-links/ and <http://www.baltometro.org/our-work/cooperative-purchasing/brcpc-representatives>

ATTACHMENT I

ATTACHMENT I

PROPOSED PROJECTS

Those firms shortlisted for interview will be required to submit pricing to perform these projects.

DO NOT SUBMIT PRICING WITH THE INITIAL PROPOSAL SUBMISSION.

Below are the two projects proposed for the first year of the Contract:

Audit #1: Grant Compliance Audit

PRICING INFORMATION: \$ _____

The County receives grant funds from federal, state, and private grantors, all of which have specific requirements for reporting and compliance. In order to ensure that the County remains in good standing with its grantors, an internal audit of grant-funded programs is desired. The compliance audit will serve as the County's internal control, serving as the first line of defense in safeguarding grant-funded assets.

The scope of services for this audit includes a review and evaluation of each department's processes and procedures for grant financial tracking and reporting, tracking and reporting of outcomes, and monitoring of sub-recipients. The following steps will be included in the grant compliance audit:

- Determine whether there are adequate processes and procedures in place as required for the management of each award
- Determine whether County grant processes and procedures are being followed
- Evaluate financial records to verify that funds are being used in accordance with the grant budget requirements. In particular, confirm that supplantation is not occurring where it is not allowed by the grantor.
- Ensure that any program revenues are being recorded and reported appropriately.
- Review sample program/ client files to ensure accuracy and completeness.
- Review outcomes tracking systems to ensure all performance measures are recorded accurately.
- Ensure that all grant financial reports are being completed by a staff person other than the program manager prior to submission to the granting agency; this segregation of duties is required by most granting agencies for managing grant funds.
- Determine whether all federal and state grant requirements have been met.
- Determine how department identifies, manages, and reports issues or problems that could put funding at risk.
- Identify areas of improvement needed within each department.

- For federal awards, ensure that the departments comply with all requirements under 2 CFR 200, Uniform Guidance, to include the following:
 - Ensure that departments have filed a Federal Funding Accountability and Transparency Act (FFATA) sub-award report by the end of the month following the month in which they award any sub-grant equal to or greater than \$25,000.
 - Determine what monitoring activity is occurring for any sub-recipients and that departments have on file documentation of the monitoring process and/ or audit certification. Ensure that all federally required sub-recipient risk analyses and eligibility exclusions have been performed.
 - Confirm that an agreement has been obtained between Loudoun County and sub-recipients that outlines the grant requirements, and that no purchases were made before a signed agreement was received.
 - Demonstrate that departments have created consistent standards and systems across internal business processes and data.
 - Check that protected personally identifiable information is safeguarded.
 - Review documentation related to the intent to receive, delivery and inventory items or services purchased with grant funds. Ensure that equipment procured with grant funds has been tracked and disposed of in accordance with terms of the grant.
 - Confirm that departments have a policy for conflicts of interest and have disclosed in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with the awarding agency's policy, as well as any violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

Audit #2: Human Capital Management System

PRICING INFORMATION: \$

The County recently implemented Phase 2 of its Enterprise Resource Planning (ERP) project, which included the implementation of a Human Capital Management System. Because the implementation of this system resulted in significant organizational change, the County has put into place new policies and procedures to provide guidance and support to employees.

The scope of the audit services will focus on the following:

- Review and determine whether the County has sufficient policies and procedures in place to support the newly implemented Human Capital Management System.
- Provide recommendations on whether additions, changes, or deletions of existing policies are needed.
- Assess compliance with those policies and procedures.
- Review and determine whether the County has a sufficient governance structure in place to support the newly implemented Human Capital Management System.

- Review the following system components to determine whether they are operating as designed.
 - Payroll and payroll deductions are accurate
 - Accurately transferring costs from HCM to General Ledger
 - Health Insurance Enrollment
 - Merit increases applied appropriately
- Review whether the County has the appropriate internal controls to avoid fraud and abuse.
- Determine whether adequate security access controls are in place to ensure that only appropriate employees have access to sensitive records and information.

EXHIBIT C

ARLINGTON COUNTY'S SPECIAL PROVISION TO EXHIBIT A

RIDER AGREEMENT 20-178-R

To Exhibit A of Rider Agreement No. 20-178-R, Arlington County makes the following special provision to Section 1.0 Scope of Services:

- 1.7. Arlington County desires that the Contractor provide all working papers and reports, in compliance with the Code of Virginia record retention requirements, to the Project Officer upon completion of each project.



EXHIBIT D



TO: Chris Horton, Arlington County Auditor
FROM: William D. Adams, Jr., Director, SC&H Group, Inc.
DATE: January 27, 2020
SUBJECT: Performance Audit: Information Technology Contract Management - Quote

Engagement Understanding

SC&H Group Inc. (SC&H) is presenting this quote in response to Arlington County's (the County) request for a performance audit (audit) of contract management of Information Technology (IT) contracts within the County's Department of Technology Services (DTS).

The initial objective is to assess the effectiveness of contract management within DTS. We understand that audit objectives may change or be revised during the development of the audit program based on results of the planning phase. Final audit objectives will be developed, discussed, and agreed upon with the County Auditor prior to execution of any fieldwork steps.

Professional Standards under Which Work Will Be Performed

SC&H Attest Services, P.C., a wholly owned affiliate of SC&H Group Inc. will conduct the audit in accordance with the 2018 Revision to the Government Auditing Standards, issued by the Comptroller General of the United States.

Preliminary Scope

The audit's preliminary scope includes contracts that are managed by DTS. The type and quantity of contracts will be determined during Phase 1: Planning activities and will be agreed-upon with the County Auditor. Given the limited budget, the audit will only include a limited number of contracts.

Approach

SC&H will conduct the audit by performing a three-phased approach. The following summarizes SC&H's approach for each phase. SC&H and the County will agree upon responsibilities and expectations at the commencement of the audit.

Phase 1: Planning Activities

1. County Auditor and contractor coordination
2. Preliminary planning (e.g. research, document request lists, preparation for entrance conference)
3. Entrance conference
4. Process documentation (e.g. conduct interviews and gain an understanding of key processes)
5. Fieldwork audit program development¹
6. Fieldwork planning (e.g. preparation for and meeting with County)

Phase 2: Fieldwork Activities

1. Execute audit program
2. Draft management comments

¹ SC&H will present the County with an audit program that can be executed within the project budget during Phase 2. This audit program will include the specific attributes/criteria and the number of contracts and/or the number of contract managers that will be evaluated. If additional procedures are requested by the County, additional budget may be formally requested to execute additional work.



3. Discuss audit findings with the County
4. Updates/ edits to management comments
5. Exit meeting with auditee

Phase 3: Reporting Activities

1. Draft audit report
2. Updates/ edits to audit report
3. Present to the Audit Committee
4. Closeout audit/ workpaper finalization

Project Management

SC&H will conduct the audit by working side-by-side with the County Auditor. We will engage the County Auditor throughout the process – from beginning to end – and ensure that he is informed as to the status of the engagement, and will communicate any obstacles identified, with suggested resolutions, as the work progresses. We will ensure that the County Auditor is included in all critical meetings and discussions, and apprised of significant potential issues, gaps, and observations identified and validated. We will also issue monthly status reports to the County Auditor to keep him informed of accomplishments.

Estimated Project Timeline

SC&H is available to begin the audit upon the issuance of the Notice to Proceed and intends on completing the audit no later than June 30, 2020. The below diagram outlines the estimated timeline necessary to complete the audit.

Phase	Timing	February	March	April	May	June
Phase 1: Planning						
Phase 2: Fieldwork						
Phase 3: Reporting						

The above timeline is an estimate and is contingent on the County’s responsiveness to inquiries and documentation/support requests. SC&H will work to align tasks to the timeline in areas in which it has control.

Team Organization and Structure

The below staffing information provides the County with details regarding roles and responsibilities.

Consultant / Position	Responsibilities
Chris Horton County Auditor	<p>Chris will be the overall audit lead from the County. He will work closely and coordinate with the SC&H team throughout the audit.</p> <p>Chris will attend process understanding meetings, conduct interviews with departments outside of DTS (if necessary), review and approve workpapers, assist in audit program development, assist with/review the report draft, and perform additional procedures as necessary to align with the audit’s budget.</p>



Consultant / Position	Responsibilities
Matthew Simons Principal	<p>Matt will ensure the audit team achieves the assigned objectives. He will interact with the County Auditor throughout the engagement, attend applicable meetings, and make sure that appropriate resources are dedicated to the assignment.</p> <p>Throughout the engagement, Matt will communicate with the project team and assess the overall objectives and plans. He will also review necessary documentation and the report to ensure it achieves the engagement’s objectives.</p>
Lindsay Puccio Manager	<p>Lindsay will be the Project Lead and will have the day-to-day responsibility and accountability for all tasks performed, while communicating with the County Auditor and the SC&H team.</p> <p>From an operational standpoint, she will conduct/document interviews, evaluate information, compile and analyze documentation, draft workpapers, develop the report and provide recommendations. Lindsay will work with the County Auditor to align tasks and responsibilities.</p>
Senior / Staff Auditors	<p>SC&H may assign staff resources to the audit as necessary. They will support the engagement team by conducting testing/fieldwork activities.</p>

Estimated Project Hours and Fees

SC&H estimates that the audit will take 225 hours of SC&H resource time to complete. Based upon the fee structure between Arlington County Government and SC&H, the estimated total cost will be \$32,700. The below diagram provides the estimated fee breakdown, based on phases. Hours/fees may be adjusted between phases as necessary.

SC&H’s work will be limited to the total quoted amount of \$32,700. SC&H and the County will agree upon tasks and assignments to align with the total quote.

Phase	Estimated Hours	Estimated Fees
Phase 1: Planning	70	\$10,280
Phase 2: Fieldwork	94	13,520
Phase 3: Reporting	61	8,900
Total	225	\$32,700

	Director / Principal	Senior Manager	Manager	Senior	Staff	Total
Rate	\$200	\$155	\$140	\$130	\$116	
Estimated Hours	20	-	205	-	-	225
Total	\$4,000	\$-	\$28,700	\$-	\$-	\$32,700

SC&H will work with the County to manage and align expectations throughout the engagement, and will proactively communicate with the County when opportunities for cost reduction are possible, and when conditions could result in an increase or decrease in the level of effort required to complete assigned tasks.

SC&H will invoice the County on a monthly basis based on actual hours incurred. The invoice will be supported by a detailed breakdown of all charges.