

**INSTITUTE FOR ADVANCED LEARNING AND RESEARCH
REQUEST FOR PROPOSALS FOR
IALR FINANCIAL AND COMPLIANCE AUDIT
RFP NO. 2020/01/14**

ISSUE DATE: January 14, 2020
TITLE: IALR Financial and Compliance Audit
ISSURER: Institute for Advanced Learning and Research (“IALR”)
150 Slayton Avenue
Danville, VA 24540

SEALED PROPOSALS for furnishing the services described herein WILL BE RECEIVED UNTIL January 31, 2020, at 3:00 p.m. Hand delivered proposals may be delivered to IALR at the Atrium Reception Desk, 150 Slayton Avenue, Danville, VA 24540 until that time.

It is the responsibility of interested offerors to obtain a complete copy of this Request for Proposals (“RFP”), including all amendments. Interested offerors are responsible for regularly checking eVA for amendments to this RFP or the IALR website www.ialr.org. IALR will not be responsible if the RFP and/or amendments are not received by potential offerors.

All Inquiries regarding RFP submission requirements, amendments to this RFP, the selection process, or the terms and conditions should be directed to:

Pam Patterson, 434-766-6605, email: Pam.Patterson@ialr.org

All Inquiries regarding RFP statement of needs and service performance requirements should be directed to:

Angela Anderson, 434-766-6733, email: Angela.Anderson@ialr.org

All inquiries and responses must be in writing.

IF PROPOSALS ARE MAILED, SEND DIRECTLY TO:

Institute for Advanced Learning and Research
ATTN: Finance Office/ Angela Anderson
150 Slayton Avenue
Danville, VA 24540

IF PROPOSALS ARE HAND DELIVERED, THEN DELIVER TO:

Institute for Advanced Learning and Research
ATTN: Procurement Office
Atrium Reception Desk/Procurement
150 Slayton Avenue
Danville, VA 24540

For hand delivery, do not leave proposals at unattended receptionist’s desk.

IALR is not responsible for mailed proposals that do not arrive by the deadline.

LATE PROPOSALS WILL BE REJECTED

The terms and conditions of this RFP, including any amendments to this RFP issued by IALR, shall be and hereby are incorporated by reference into this RFP cover sheet. By signing this RFP Cover Sheet, the undersigned offers and agrees to furnish the goods and services stated herein in accordance with the terms and conditions of this RFP, including any amendments to this RFP issued by IALR.

NAME AND ADDRESS OF FIRM:

Fed ID No: _____

EMAIL: _____

DATE: _____

BY: _____
(SIGNATURE)

NAME: _____
(PLEASE PRINT)

TITLE: _____

PHONE: _____

FAX: _____

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I. PURPOSE OF RFP:

IALR and The Institute for Advanced Learning and Research Foundation invite proposals from qualified Independent Certified Public Accountants and/or firms licensed to practice in the Commonwealth of Virginia for the purpose of providing an annual audit for the financial statements and records of our organization. Services shall be for the items listed in the following Statement of Needs and Scope of Work of this RFP.

II. BACKGROUND:

IALR was created by the Commonwealth of Virginia in 2002 as a political subdivision of the Commonwealth of Virginia for the purpose of seeking to diversify the Southern Virginia's economy. IALR is envisioned to develop and attract technology and talent critical to the region's economic transformation through strategic research, advanced learning programs, conference activities, community outreach programs, and technology infrastructure development. The IALR is led by a fifteen person Board of Trustees.

IALR's main facility includes 93,000 square feet of research, classroom, conference, and office space equipped with state-of-the-art information technology. IALR's campus also includes the Charles Hawkins Building and the SEnTeC Building. The IALR is currently in the process of building an expansion to the Charles Hawkins Building. These buildings consist primarily of research, manufacturing and office space.

The Institute for Advanced Learning and Research Foundation ("IALRF") was established in 2006 as a Virginia nonstock corporation and is exempt from federal taxation under Section 501(C)(3) of the Internal Revenue Code. IALRF was formed to support, promote the advancement of, and further the aims and purposes of IALR.

For financial reporting purposes, IALR and IALRF are audited and reported as a blended unit.

III. STATEMENT OF NEEDS:

IALR has been the recipient of private, local and federal funding since its inception in 2002. The primary source of funding for ongoing operations is provided by the Commonwealth of Virginia. IALR also has been the recipient of grants from the Virginia Tobacco Indemnification and Community Revitalization Commission and various private foundations, and some federal funding.

IALR is in need of an annual audit for the financial statements and records of our organization. Audit services are to be completed by September 1, 2020, and reported to the Board of Trustees at the November 2020 Board Meeting.

IV. SCOPE OF WORK:

1. The audit shall be conducted in strict accordance with generally accepted accounting principles (“GAAP”) applicable to IALR and/or IALRF, as the case may be, including any applicable GAAP established by the Governmental Accounting Standards Board and/or the Financial Accounting Standards Board, as the case may be.
2. The auditor shall submit to the IALR Board of Trustees and IALRF Board of Directors a printed report of the audit. This report shall contain opinions on financial statements or a disclaimer of opinions and the reasons thereof.
3. Copies of the report shall be furnished to the members of the Board of Trustees Board of Directors.
4. The auditor shall retain the working papers for no less than three (3) years, and they shall be available for examination or duplication without charge to IALR.
5. In the event that circumstances arise during the audit that require work to be performed above original estimates, such costs will be negotiated prior to commencement of the work.
6. All adjusting entries will be submitted to IALR and IALRF in writing.
7. A review of IALR and IALRF internal controls and recommendation for improvements shall be done concurrently with the financial record testing “field work” done during July 2020.
8. The auditor in charge will conduct an exit conference with the Executive Director and Senior Accountant at the completion of the audit. At this time findings and recommendations regarding compliance and internal control shall be discussed.
9. Auditors shall complete the Foundation 990 and submit electronically.
10. The selected firm shall be licensed to perform accounting services in the Commonwealth of Virginia.
11. The term of the contract will be three years. The contract will be renewable, at IALR’s discretion, for two additional one-year terms.

V. CONTRACT ADMINISTRATOR:

- A. Unless otherwise provided in writing from IALR, the Chief Accounting Officer shall serve as the Contract Administrator. The Contract Administrator will be IALR’s point of contact for all matters related to the contract. This person will be authorized to administer all work performed in conjunction with the contract and

shall serve as the interpreter of the conditions of the contract. The Contract Administrator shall have authority to approve changes in the Scope of Work or changes which call for an extension of time and shall work directly with the Contractor in providing general direction under the contract. The Chief Accounting Officer shall have authority to make changes in the contract terms or prices and any such changes shall be issued as a written amendment to the contract.

- B. The selected contractor shall designate a representative under the contract who shall have authority to take direction from, and comply with the directives of, IALR's Contract Administrator. The Contract Administrator and contractor's representative shall confer regularly to discuss performance under the contract.

VI. CONTRACTOR'S EMPLOYEES:

- A. The contractor shall provide an adequate staff of experienced and skilled personnel, capable of and devoted to the successful accomplishment of the work to be performed under this RFP on the schedule and frequency and at the standards specified herein. All of contractor's employees assigned to IALR shall be at least 18 years of age. The contractor shall provide training and orientation to insure the proper execution of the terms of the contract by its employees.
- B. The contractor shall certify that it understands that the following acts by the contractor, its employees, and/or subcontractors performing services at the IALR site are prohibited: (i) The unlawful manufacture, distribution, dispensing, possession or use of alcohol or other drugs; and (ii) Any impairment or incapacitation from the use of alcohol or other drugs.
- C. The contractor shall be responsible for the errors, acts, and omissions of its employees. The contractor will be responsible for any loss or damage to property or equipment owned by IALR or any third party that is located on the Campus if such loss or damage was caused by the contractor's employee while such employee is on the Campus in his capacity as an employee of the contractor.
- D. Contractor's employees appearing to be under the influence of alcohol or unlawful drugs shall not be permitted in the building. Contractor's employees appearing to be impaired due to prescription drugs shall not be permitted in the building.
- E. All selected firm's personnel must be readily identifiable by easily identifiable insignia or carry identification cards with them while on the IALR property.
- F. No loud or boisterous conduct will be permitted. No radios or portable music devices will be permitted in the building. The building is "Smoke Free" and no smoking inside the building will be permitted.

- G. No visitors of the contractor's employees will be allowed at the work site during the employee's working hours, unless they are bona fide employees of the contractor or are on the property to attend an IALR event.
- H. The contractor will provide to its employees workman's compensation insurance. The IALR will not be responsible for any job-related injuries to the contractor's employees. Contractor will provide to the IALR proof of insurance as requested.
- I. Contractor's employees will not open desk drawers or cabinets at any time without IALR personnel's consent. Contractor's employees will not operate computers, copiers or other equipment in the building without IALR personnel's consent. The contractor's employees will not be permitted to use telephones in the IALR building except in an emergency or with IALR personnel's consent.
- J. The IALR reserves the right to request the removal of any of the contractor's employees from the building at any time for reasonable cause. The contractor or its designated representative shall have such employee leave the premises upon receipt of such request.

VII. DAMAGE AND/OR THEFT OF PROPERTY:

The contractor will be responsible for any loss or damage to property including money, securities, merchandise, fixtures, and equipment belonging to the IALR or to any other person or organization to such extent as the IALR is legally liable for such loss or damage if any such loss or damage was caused by an employee while such employee is on the premises of the IALR as an employee of the contractor.

VIII. GENERAL TERMS AND CONDITIONS

- A. ANTI-DISCRIMINATION: By submitting their proposal, the offeror represents and warrants to IALR that it will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans With Disabilities Act and 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*, and all other applicable federal, state and local anti-discrimination laws, codes, rules, and regulations.

Without waiving the foregoing, during the performance of this contract, the offeror agrees as follows:

- 1. The offeror will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, 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 offeror. The offeror agrees to post in conspicuous places,

available to employees, notices setting forth the provisions of this nondiscrimination clause.

2. The offeror, in all solicitations or advertisements for employees placed by or on behalf of the offeror, will state that such offeror is an equal opportunity employer.
3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The offeror will include the provisions of the above 1, 2 and 3 in every subcontractor or purchase order over \$10,000 in connection with this RFP, so that the provisions will be binding upon each subcontractor or vendor.

- B. DRUG-FREE WORKPLACE: During the performance of this contract, the offeror agrees to (i) provide a drug-free workplace for the offeror's employees; (ii) post in conspicuous places, available to employees, 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) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000 in connection with this RFP, so that the provisions will be binding upon each subcontractor or vendor.
- C. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, the offeror represents and warrants that it does not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- D. APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the state or federal courts of appropriate jurisdiction located in the City of Danville, Virginia. The offeror shall comply with all applicable federal, state and local laws, rules and regulations.
- E. ETHICS IN PUBLIC CONTRACTING: By submitting its proposal, the offeror represents and warrants that its proposals is made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other offeror, supplier, or subcontractor in connection with their proposal, and that it has not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised,

unless consideration of substantially equal or greater value was exchanged. Furthermore, the provisions, requirements, and prohibitions contained in Sections 2.2-4367 through 2.2-4377 of the Virginia Code, pertaining to bidders, offerors, contracts, and subcontractors, are applicable to this RFP and any resulting contract, as are the provisions, requirements, and prohibitions contained in Sections 2.2-3100 through 2.2-3131 of the Virginia Code.

- F. **QUALIFICATIONS OF OFFERORS:** IALR may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to IALR all such information and data for this purpose as may be requested. IALR reserves the right to inspect the offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. IALR further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy IALR that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.
- G. **DEBARMENT STATUS:** By submitting their proposals, the offeror represents and warrants that it is not currently debarred by the Commonwealth of Virginia, or any locality or political subdivision thereof, from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor is it an agent of any person or entity that is currently so debarred.
- H. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in contracting or because the bidder or offeror employs ex-offenders unless the IALR has made a written determination that employing ex-offenders on the specific contract is not in its best interest. **IALR DOES NOT DISCRIMINATE AGAINST FAITH-BASED ORGANIZATIONS.**
- I. **LICENSE REQUIREMENT; LEGAL COMPLIANCE:** The selected contractor shall procure at its own expense, all necessary licenses or permits to provide the services under this RFP and shall conform to all laws, codes, regulations and ordinances applicable to the performance of the contract, and will pay all applicable federal and state taxes and comply with any law or ordinance.
- J. **INSURANCE:** The successful offeror shall, at its sole expense, obtain and maintain during the life of the contract insurance policies of the type, in the amount, and subject to the terms required by IALR, including without limitation: (i) commercial general liability insurance with minimum limits of liability of \$1,000,000 combined single limit for any one occurrence; (ii) broad form contractual liability insurance, which shall include the indemnification obligation set forth in this RFP; (iii) workers' compensation and employer's liability

insurance covering the selected offeror's statutory obligation under the laws of the Commonwealth of Virginia; (iv) automobile liability insurance with at least a \$500,000 combined single limit applicable to owned or non owned vehicles used in the performance of any work under this contract; and (v) professional liability and errors and omissions insurance with minimum limits of \$1,000,000 per claim and \$1,000,000 policy aggregate (professional liability insurance coverage shall be maintained for five years after completion of the project). Any required insurance policies shall be effective prior to the beginning of any work under this contract. All insurance except professional liability shall be written on an occurrence basis. In addition, (i) the offeror shall furnish IALR a certificate or certificates of insurance showing the type, amount, effective dates, and date of expiration of the policies; (ii) the required certificate or certificates of insurance, excluding those for workers' compensation and professional liability, shall name IALR and its officers, trustees, directors, volunteers, employees, and agents as additional insureds; (iii) the required certificate or certificates of insurance shall require 30 days advance, written notice to IALR before being cancelled; and (iv) any insurance company providing coverage under the contract shall be authorized to do business in the Commonwealth of Virginia.

- K. SCC REGISTRATION: Pursuant to Virginia Code § 2.2-4311.2, the offeror must be registered with the State Corporation Commission if so required by Title 13.1 or Title 50 of the Virginia Code or otherwise required by law.
- L. MINORITY CONTRACTING: It is the policy of IALR to maximize participation by minority and women owned businesses, small businesses, and service disabled veteran businesses in contracting opportunities. IALR welcomes and encourages the participation of small businesses and businesses owned by women and minorities in its procurement transactions.

IX. SPECIAL TERMS AND CONDITIONS:

- A. ADVERTISING: In the event a contract is awarded for the auditing services resulting from this proposal, no indication of such sales or services to the IALR will be used in product literature or advertising by the contractor. The contractor shall not state in any of its advertising or product literature that the IALR has purchased or used its services.
- B. AUDIT: The contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by IALR or the Commonwealth of Virginia, whichever is sooner. IALR, state auditors or independent auditors hired by either of them shall have full access to and the right to examine any of said materials during said period.
- C. PROPOSAL ACCEPTANCE PERIOD: Any offer in response to this solicitation shall be valid for ninety (90) days. At the end of the ninety days, the offer may be withdrawn at the written request of the offeror. If the offer is not promptly

withdrawn (within 5 business days) at that time, it will remain in effect until an award is made or the solicitation is canceled.

- D. **PAYMENT SCHEDULE:** The payment schedule should be a one-time invoice for service's rendered upon completion.
- E. **PRICE ADJUSTMENTS:** In the event the IALR reduces the scope of the work during the contract period, the contract price shall be reduced in a proportional amount. The IALR will not consider price increases during the term of the contract (including extensions) unless such price increase is approved in advance and in writing by IALR.
- F. **UNREASONABLE CHARGES:** Charges which appear to be unreasonable or which are in excess of the contract amount will be researched and challenged, and that portion of the invoice held in abeyance until the matter is resolved. Upon determining that invoiced charges are not reasonable or are excessive, IALR shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable or excessive and the basis for the determination.
- G. **PAYMENT:** Invoices for services shall be submitted by the contractor directly to the payment address listed below:
Institute for Advanced Learning and Research
ATTN: Finance
150 Slayton Avenue
Danville, VA 24540
Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after receipt of invoice. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail.
- H. **SUBCONTRACTS:** Before any portion of the services or goods shall be subcontracted, the contractor shall furnish the IALR the names, qualifications and experience of their proposed subcontractor. IALR must be afforded the right to refuse any subcontractor that the contractor has selected. The contractor shall remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- I. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, IALR may terminate the contract and/or procure them goods and services from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. These remedies shall be in addition to any other remedies which the IALR may have under the contract, at law, or in equity.

- J. **CONTRACTUAL CLAIMS:** The procedure for reviewing and resolving contractual claims and resolving contractual disputes shall be the procedure set forth in Virginia Code § 2.2-4363.C.
- K. **ASSIGNMENT OF CONTRACT:** The contract shall not be assignable by the contractor in whole or in part without the written consent of the IALR.
- L. **INDEPENDENT CONTRACTOR:** The offeror, if awarded a contract, shall not be an employee of the IALR but shall be an independent contractor. Nothing in the contract shall be construed as authority for the offeror to make commitments which shall bind IALR or to otherwise act on behalf of IALR, except as IALR may expressly authorize in writing.
- M. **CHANGES TO THE CONTRACT:** Changes can be made to the contract in either of the following ways: (a) The parties may agree in writing to modify the product specifications or scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the contract. (b) IALR may order changes within the general scope of the contract at any time by written notice to the firm. The firm shall comply with the change order upon receipt.
- N. **CANCELLATION OF CONTRACT:** IALR reserves the right to cancel and terminate any resulting contract(s), in part or in whole, without penalty, upon thirty (30) days written notice to the offeror. Any contract cancellation notice shall not relieve the offeror of the obligation to deliver and/or perform on all outstanding items prior to the effective date of cancellation. Any contract cancellation notice shall not relieve the IALR from its obligation to pay for work performed prior to the effective date of cancellation.
- O. **CONTRACTOR'S AND SUBCONTRACTOR'S PERSONNEL:** (a) The firm shall be responsible for the errors, acts, and omissions of its employees and agents, and the employees and agents of any subcontractors, while on IALR premises or performing any work associated with the contract. (b) The firm's personnel will be required to comply with all rules and regulations governing the access to and use of IALR's premises. (c) The firm shall provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of the work to be performed under the contract. (d) It shall be the firm's responsibility to see that its employees use any equipment, materials and supplies in a safe and orderly manner and in accordance with the manufacturer's instructions and guidelines and within all local, state and federal regulations. It shall be the firm's responsibility to ensure its employees and its subcontractor's employees know and obey all OSHA, VOSA, EPA and other regulatory requirements. Compliance with all regulatory requirements is the sole responsibility of the firm and/or its subcontractors. The safety of the firm's and subcontractor's employees is the sole responsibility of the firm and its subcontractors. (e) IALR reserves the right to request the removal of any of the

firm's employees or agents or any of its subcontractor's employees or agents from the premises at any time for any reason. The firm or its subcontractor shall have such employee leave the premises upon receipt of such request.

- P. **DAMAGE AND/OR THEFT OF PROPERTY:** The firm shall be responsible for any loss or damage to property including money, securities, merchandise, fixtures, and equipment belonging to the IALR or to any other person or organization, if any such loss or damage was caused, in all or in part, by the firm, its agents or employees, and/or its subcontractors.
- Q. **HAZARDOUS MATERIALS:** The firm shall not, during the term of the contract, transport, dispose of, or release, on IALR's property any hazardous substance, material, or waste. The firm shall comply with all federal, state, and local laws, rules, and regulations relating to the storage, transportation, use, and disposal of hazardous materials, substance or waste.
- R. **INDEMNIFICATION:** The firm shall indemnify, defend, and hold harmless IALR and its officers, agents, trustees, directors, employees, and affiliates from and against any and all liability, losses, damages, claims, causes of action, suits of any nature (including suits by IALR against the firm), costs, and expenses, including reasonable attorney's fees and consultant's fees, resulting from or arising out of the firm's or its agent's, and/or subcontractor's errors, acts, or omissions in the performance of services under the contract or any subcontract or any breaches of the contract or any subcontract. This indemnity provision shall cover and include, without limitation, fines and penalties for violations of federal, state or local laws or regulations (including health or alcoholic beverage violations); personal injury, wrongful death or property damage claims; breach of contract claims; indemnity claims; and other damages, losses and claims of any kind.
- S. **NON-EXCLUSIVENESS OF REMEDIES:** Any right or remedy on behalf of the IALR provided for in any part of the contract, including but not limited to, any remedy for the firm's nonperformance or breach, shall be in addition to and not a limitation of any right or remedy otherwise available by law, equity, or statute.
- T. **SOVEREIGN IMMUNITY; PUBLIC POLICY:** Nothing contained in the contract is intended to waive, or shall be construed as a waiver of, the sovereign immunity of IALR.
- U. **NON-WAIVER:** The failure of IALR to insist upon strict performance of any of the terms or provisions of the contract or to exercise any option, right or remedy contained in the contract shall not be construed as a waiver or relinquishment for the future of such term, provision, option, right or remedy. The waiver by IALR of a breach of any provision hereof shall not be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

- V. **CONFIDENTIALITY:** The firm acknowledges and agrees that it (and any other persons in its employment) must maintain the confidentiality of all IALR information, business affairs, programs, partners, vendors, finances, properties, intellectual property, trade secrets, methods of operation, computer programs, and documents, whether written, oral, or otherwise (hereinafter referred to as Confidential Information), to which he may come in contact with during or after the contract period. The firm agrees that it will not at any time during or after the term of this contract use or disclose to any person any Confidential Information and that upon the termination of this contract it will turn over to IALR all documents, papers, and other matter in his possession or control that relate to IALR, including all electronic or hard copies. The firm further agrees to bind his employees, agents, and subcontractors to the terms and conditions of this contract.
- W. **PROPRIETARY MATERIALS:** All reports, documents and other deliverables produced by the contractor for IALR under this contract shall be and remain the exclusive property of IALR and shall be used exclusively for the benefit of IALR from the date of creation forward unless express written permission is given by the Executive Director of IALR. The firm further agrees that he will not sell, transfer, publish, disclose or otherwise make the work product available to third parties without the prior written consent of IALR's Executive Director.
- X. **SEVERABILITY:** Each paragraph and provision of the contract will be severable from the entire agreement and if any provision is declared invalid the remaining provisions shall nevertheless remain in effect.
- Y. **RENEWAL OF CONTRACT:** The contract may be renewed by IALR for up to two (2) additional one year periods, following the initial term of the contract, provided IALR provides written notice of renewal to the contractor at least ninety (90) days prior to the expiration of the then-current term.
- Z. **FORCE MAJEURE.** Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the contract due to an event outside the control and not the fault of the affected party (a "Force Majeure Event"). Examples of a Force Majeure Event include, but are not limited to, natural disasters, acts of God, terrorism, war, civil disorder, fire, flood, explosion, riot, labor disputes or strikes (labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the contract), any act or order of any governmental authority, lockouts or work stoppages of any kind, theft, windstorm, water, vandalism, failure of power or utilities, or other similar causes, beyond the control of the parties which delays or prevents the performance of the agreement. It is understood that both parties shall exercise due care and prudence to avoid a Force Majeure Event. A Force Majeure Event shall not constitute a breach of contract. If either party is prevented, wholly or in part, from performing its obligations under this Contract as a result of a Force Majeure Event, then that party shall immediately give notice to the other party of the Force Majeure Event.

Upon such notice, all obligations of the affected party under the contract which are reasonably related to the Force Majeure Event shall be suspended until the Force Majeure Event no longer exists. A Force Majeure Event does not cancel obligations for payments due for services actually provided.

X. PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS:

A. GENERAL INSTRUCTIONS:

1. Clarification of Terms: If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the IALR contact person as listed on page one of this RFP in writing no later than three working days before the due date. Any revisions to the solicitation will be made only by addendum issued by IALR. Your signature on your proposal certifies that you have either inspected the job site or voluntarily declined the inspection, are aware of the conditions under which the work must be accomplished and that you fully understand this solicitation. It is the responsibility of each offeror to inquire about and clarify any requirements of this solicitation that are not understood. Failure to understand the requirements of this solicitation will not relieve the Contractor of any responsibilities under any contract. Claims, as a result of failure to inspect the job site or failure to obtain clarification of requirements, will not be considered by IALR. IALR will not be bound by oral explanations as to the meaning of specifications or language contained in this solicitation. Therefore, all inquiries deemed to be substantive in nature must be in writing and submitted to IALR's Chief Accounting Officer. Offerors must ensure that written inquiries reach the Chief Accounting Officer at least three (3) days prior to the time set for receipt of proposals. Anyone submitting a written inquiry is cautioned to verify receipt of the inquiry by the IALR's Chief Accounting Officer.
2. RFP Response: In order to be considered for selection, offerors must submit a complete response to this RFP. One (1) original and four (4) copies of each proposal must be submitted by mail or hand delivery as stated on the RFP Cover Sheet A signed copy of the RFP Cover Sheet must be included with the proposal. No other distribution of the proposal shall be made by the offerors.
3. Proposal Preparation:
 - a. Proposals shall be signed by an authorized representative of the offerors. All information requested should be submitted. Failure to submit all information requested may result in the IALR requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the IALR. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

- b. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page. The proposal should contain a table of contents which cross-references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. As used in this RFP, the terms “must,” “shall,” “should,” and “may” identify the criticality of requirements. “Must” and “shall” identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as “should” or “may” are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual “must” and “shall” items may not be fully satisfied, but it is the intent to satisfy most, if not all, “must” and “shall” requirements. The inability of an offeror to satisfy a “must” or “shall” requirement does not automatically remove that offeror from consideration; however, it may seriously affect the overall rating of the offeror’s proposal.
- e. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- f. Ownership of all data, materials, and documentation originated and prepared for the IALR pursuant to the RFP shall belong exclusively to the IALR and be subject to public inspection in accordance with the *Virginia Freedom of Information Act*. Trade secrets or proprietary information submitted by an offeror shall not be subject to public disclosure under the *Virginia Freedom of Information Act*; however, the offeror must invoke the protections of 2.2-4342F. of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary

information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

4. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the IALR. This provides an opportunity for the offerors to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The IALR will schedule the time and location of these presentations. Oral presentations are an option of the business office and may or may not be conducted.

B. **SPECIFIC PROPOSAL INSTRUCTIONS**: Proposals should be as thorough and detailed as possible so that the IALR may properly evaluate your capabilities to provide the required goods/services. Offerors are required to submit the following items as a complete proposal.

1. Return the RFP signed cover sheet and all other pages of this RFP and addenda acknowledgement, if any, signed and filled out as required.
2. A written narrative statement to include:
 - a. Experience offeror has in providing the services similar to those requested in this RFP.
 - b. Company name, address, contact name and phone number of clients that offeror has provided with similar auditing needs. The IALR reserves the right to contact any client listed.
 - c. The same information as requested of the offeror must be provided for all subcontractors to be used by the offeror, including references. The IALR reserves the right to contact any client listed for the subcontractors.
3. **Offeror's Cost Proposal**— Offerors shall **NOT** provide any estimated project costs in their proposals. During discussions with offerors, as permitted during competitive negotiation under Virginia Code § 2.2-4302.2, IALR may discuss nonbinding estimates of project costs with offerors. A final price shall be determined in negotiation with the offeror ranked first following discussions.
4. Proposals must include the following:
 - a. Description and history of the firm
 - b. Relevant government auditing experience of the firm
 - c. Total staff available for this audit and the anticipated percent of work to be performed by various levels of staff
 - d. A brief description of the audit procedure to be followed
 - e. A tentative schedule for performing aspects of the audit
5. **IDENTIFICATION OF PROPOSAL ENVELOPE**: The signed proposal should be sent or delivered to the IALR in an envelope or package that is

sealed and clearly marked on the lower left-hand corner of the envelope or package with:

From: _____	Due Date: January 31, 2020
(Name of Offeror)	Due Time: 3:00 p.m.
Address: _____	RFP No. _____

The envelope should be addressed as directed on Page 1 of this RFP. If a proposal is not marked as required, the offeror takes the risk that the envelope may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location at the IALR. No other correspondence or other proposals should be placed in the envelope.

XI. EVALUATION/AWARD CRITERIA/AWARD/AWARD POSTING

The IALR will evaluate the proposals through a point rating system, set forth below.

AWARD CRITERIA:	POINTS
a. General Qualifications: Company's history, expertise, experience, Financial viability, references, capability of providing service at levels required by IALR	50
b. Proposed Services: Strategies, methodologies, services offered in response to this RFP, ability to respond to IALR's changing needs, ability to provide personnel, and expertise needed to service IALR	50
TOTAL:	100

AWARD:

After evaluation of the offers received in response to the RFP, IALR shall engage in individual discussions and interviews with two or more offerors deemed fully qualified, responsible and suitable on the basis of initial responses, and with professional competence to provide the required services. Repetitive informal interviews are permitted. Offerors shall be encouraged to elaborate on their qualifications, performance data, and staff expertise relevant to the proposed contract. Proposers may also propose alternate concepts or methodology. These discussions may encompass nonbinding estimates of project costs and other matters which IALR in its discretion finds relevant. Methods to be used in arriving at a price for the services may be discussed. The reasonableness/competitiveness of a proposed nonbinding fee in no way binds IALR to select the offeror who proposes the lowest fees or benefits for services. Offerors are advised that time is of the essence and that it is imperative

that all work required for the project be completed as soon as possible. If selected for an interview, offerors must be prepared to provide a tentative schedule indicating the time frame within which all work can be completed. The reasonableness of this proposed schedule in no way binds IALR to select the offeror who proposes the shortest or more aggressive schedule. Proprietary information from competing offerors (including any data on estimated man-hours or rates and the plan for accomplishing the scope of work) will not be disclosed to the public or to competitors, provided such information is duly marked as "Proprietary Information" by the Offeror and the designation is justified as required by Section 2.2-4342, Code of Virginia, as revised. At the conclusion of the informal interviews and on the basis of evaluation factors set forth herein and the information provided and developed in the selection process to this point, IALR shall rank, in the order of preference, the interviewed offerors whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted with the offeror ranked first. If a contract satisfactory and advantageous to IALR can be negotiated at a fee considered fair and reasonable, the award shall be made to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations conducted with the offeror ranked second, and so on, until such a contract can be negotiated at a fair and reasonable fee. Should IALR determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offer is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror.

AWARD POSTING:

Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the IALR will publicly post such notice on its website. No other notice shall be given of the award of the contract.