

County of Charlotte
 PO Box 608
 250 LeGrande Ave; Suite A
 Charlotte Court House, VA 23923



Request for Proposals
Forensic Financial Auditing Services for the Charlotte County Rescue Squad

Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against a bidder because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

<u>Proposal Number</u>	<u>Bid Due Date and Hour (Local Time)</u>	<u>Date Initiated</u>
037-230	May 16, 2022 at 4:00 pm	April 22, 2022

This solicitation is subject to the provisions of the General Terms and Conditions and any Special Terms and Conditions included herein. The Request for Proposal, your bid, and modifications or additions to either shall constitute an entire integrated contract.

Address All Inquiries and Correspondence to:

County of Charlotte P.O. Box 608 250 LeGrande Avenue; Suite A Charlotte Court House, VA 23923	Daniel Witt, County Administrator Phone: (434) 542-5117 Fax : (434) 542-5248 Email : dwitt@charlottecountyva.gov
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Special Instructions:

1. Responses must be signed below in ink.
2. Responses will be accepted until the date and hour shown above.
3. This inquiry incurs no obligation on the part of the County of Charlotte.
4. All proposals are considered firm for our acceptance within **90 days** after the due date.
5. Charlotte County may cancel or withdraw a solicitation in whole or in part and reject any and all bids or proposals at any time prior to an award (Section 2.2-4319-Code of Virginia).

In Compliance With This Request For Proposal No. 037-230, And To All The Conditions Imposed Therein, The Undersigned Offers And Agrees To Furnish Products/Services In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation.

SCC Number: _____

Name & Address of Offeror: _____

License Number: _____

Date: _____

Name (Print): _____

Signature: _____

Zip Code: _____ Title: _____

FIN: _____ Phone: (____) _____

E-mail: _____ FAX: (____) _____

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I. **PURPOSE**

The Board of Supervisors of Charlotte County, Virginia, herein referred to as "the County," is soliciting proposals from qualified certified public accounting firms (herein referred to as 'the auditor') for the provision of forensic financial auditing services for the Charlotte County Rescue Squad, herein referred to as 'the Squad'.

It is Charlotte County's intent that this Request for Proposals is part of a competitive procurement process which helps to serve the County's best interests while providing Offerors with a fair opportunity for their services to be considered. The process of competitive negotiation being used in this case should not be confused with the process of "competitive sealed bidding." Price is not required to be the determining factor, although it may be, and the County may negotiate with one or more Offerors to arrive at a mutually agreeable relationship.

II. **BACKGROUND**

Located in Charlotte County the Squad has provided emergency medical services for the County since the early 1970's. Established as a volunteer organization it transitioned to paid staff around 2015. The Squad serves the County's residents and provides mutual aid to neighboring, adjoining counties with emergency services, i.e., medical care and transport. Since transitioning to paid staff, the Squad has been operating in a deficit spending manner to the point that the organization was no longer sustainable in February 2022 and requested substantial funding from the County. At that time the Squad's staffing included fourteen paid staff members and six volunteers, four of whom were receiving a stipend for their service.

When the Squad transitioned to paid staffing in 2015 it had approximately \$1 million either in the bank or in investments and no debt. In February 2022, the Squad had less than \$100,000 in cash/investments and is nearly \$200,000 in debt. For the past 5-7 years, management and oversight of the Squad and its funds has been controlled by one or two persons. Those persons resigned their positions of leadership in March 2022. The Virginia State Police (VSP) were contacted to initiate an investigation in March 2022. The recommendation from the VSP was to have an audit completed and report findings that may provide evidence requiring further investigating.

Additional staff resignations have occurred since March 2022 and the new leadership has requested the audit be completed. As the Squad serves as the County's Designated Emergency Response Agency and the Board of Supervisors recognizes the completion of a forensic audit as a key step in the process of rebuilding the Squad, the Charlotte County Board of Supervisors voted at their April 11, 2022, meeting to issue an RFP for associated services.

III. TERM OF CONTRACT

- A. The term of the contract, which may be awarded pursuant to this RFP, will be three (3) months.
- B. By mutual agreement, any contract which may be awarded pursuant to this RFP may be extended for one additional three (3) month term with all other terms and conditions remaining the same.

IV. OBJECTIVES

The County's overall objectives for this contract are as follows:

- A. To review the Squad's financials, deposits, transfers between accounts, accounts payable, payroll, grants, and capital purchases for a minimum of 3 years;
- B. To determine if there was any misuse, personal use, or misappropriation of funds during the specified time; and
- C. To provide a report of the findings, recommendations from the findings, and recommendations for Standard Operating Procedures for the Squad going forward.

V. SCOPE OF WORK

General

The selected Auditor shall furnish all expertise, labor, and resources necessary to perform a forensic financial audit for the Squad in accordance with all generally accepted practices and principles, as well as all applicable statutes and legal requirements.

The engagement should be planned and carried out with sensitivity towards not overburdening the Squad's staff. The Auditor shall conduct the engagement with care and due diligence in accordance with the relevant industry guidance. The audit reports shall develop the findings, conclusions, and recommendations; and shall prepare the proposed enhancements to internal controls as recommended and the additional recommended practices and resources (personnel, equipment, etc.) necessary to implement, carry out and monitor these recommendations.

The Auditor must be familiar with and act in accordance with generally accepted accounting and auditing standards and standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The Auditor is responsible for compliance with all applicable legal requirements as well as changes in legal requirements that may arise during the performance of the contract.

Audit

The Auditor shall audit all funds and accounts of the Squad. The Auditor shall perform tests of compliance and internal controls. The Auditor shall be responsible for auditing the Squad's financials, deposits, transfers between accounts, accounts payable, payroll, grants, and capital purchases. The County is also requesting a review of existing controls and compliance with these controls along with identifying areas of risk of fraud and misconduct and recommending improvements and best practices.

Project Phasing

The County anticipates a two or three phase approach to complete the scope of work, which depends on the results from the initial assessment. However, each offeror may provide their own approach based on their expertise and the information provided in this RFP.

Phase I: Initial Assessment

This phase will be a forensic analysis of the years 2020-2021, 2019-2020, and 2018-2019, and including years 2017- 2018, and 2016-2017 if deemed necessary based on the findings from the assessment of preceding years. The Auditor shall determine what issues merit further investigation, if any, and shall perform sufficient tests to obtain reasonable assurance as to whether the information contained in the underlying accounting records and other source data is reliable and sufficient as the basis for preparation of the financial report findings.

Phase II: Further Investigation

The Auditor shall focus on areas or years deemed necessary for further investigation, based on the Phase I findings. Examples of activities that would deem further investigation include, but are not limited to, questionable purchase activity, asset misappropriation, conformance with Virginia Emergency Management Services (VEMS) regulations (grants), conformance with Medicare and insurance regulations, conflicts of interest, and misreporting on timesheets.

Phase III: Reporting

The audit shall result in EITHER the preparation of financial statements from the audited records the Squad with the Auditors' opinion thereon OR the rendering of the Auditors' opinion on the financial statements of the Squad in accordance with generally accepted accounting principles. The Auditors' opinion shall be expressed in the report and include his/her reasons for qualifying the opinion, disclaiming an opinion, or rendering an adverse opinion. The Auditor also shall express an opinion as to the fair presentation of the financial statements in accordance with generally accepted accounting principles.

The final reports shall provide an evaluation of the Squad's

- Internal accounting and operating controls
- Review compliance with these controls
- Evaluate risk of fraud and misconduct
- Recommend enhancements where necessary to strengthen the Squad's practices

Assistance Provided to the Auditor

The Squad's staff and certified public accountant will be available during the audit to assist the selected Auditor by providing available financial records, associated documentation, and other available information.

VI. SUBMISSION OF PROPOSALS

A. Submission Procedures

1. To receive consideration your proposal with original signature along with two (2) copies must be received in the Charlotte County Administrator's Office no later than 4:00 pm on May 16, 2022.
2. The original proposal must be clearly identified on the outside cover.
3. The submission of proposals by e-mail will be accepted with subject listed as Rescue Squad Audit RFP.
4. All mailed proposals must be in a sealed package clearly marked "RFP #037-230-Audit."
5. It is the responsibility of each Offeror to see that their proposal is in the Office of the County Administrator by the specified time and date.
6. Please note that some overnight courier services cannot guarantee delivery to this location by 4:00 p.m. and plan accordingly.
7. Any offers or amendments received by the County after the date and time specified for the scheduled opening of proposals will not be considered. Date of postmark will not be considered. There will be no extensions and no exceptions.
8. Submittals can be hand-delivered or mailed to the following address:

Charlotte County Administrator's Office
Attention: Daniel Witt, County Administrator
P. O. Box 608
250 LeGrande Avenue, Suite A
Charlotte Court House, Virginia 23923

B. Proposal Content

All proposals should be prepared simply and economically. Emphasis should be on completeness and clarity of content. Proposals shall contain the following:

1. Completed cover page of this RFP signed by an individual authorized to represent the Offeror;
2. A written narrative to include:
 - a) An executive summary, including the history of the firm or individual and years in business, size (in terms of staffing), activities, and other pertinent information.
 - b) Names, qualifications, and experience of proposed Project Manager and supporting team members
3. Narrative on project approach to include the following:
 - a) Description of planned project approach to complete the scope of work and strategies that will be utilized to accomplish project goals and requirements
 - b) Description of any anticipated challenges and your approach to addressing these challenges
 - c) Description of the firm's availability, capacity and ability to complete the project in a timely manner
4. Not less than three (3) references for projects completed by the Offeror to include job description, project date, and name, title, & contact number of the person the County has your permission to contact;
5. A completed copy of the state corporation commission form (page 12) and any addenda issued.

C. Proprietary Information

All proposals submitted under this RFP shall become the property of Charlotte County and will 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 Section 2.2-4342F of the *Code of Virginia*, in writing, either before or at the time the material is submitted. The written notice must specifically identify the 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 as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

D. Additional Information

Offerors should be as complete as possible in their response. The County may contact the Offeror to clarify any response, solicit information from any available sources concerning any aspect of the proposal, and/or seek and review any other information deemed pertinent to the evaluation process.

VII. QUESTIONS & ADDENDA

A. Questions

1. All questions regarding this RFP must be submitted in writing. Questions can be mailed, e-mailed, or hand-delivered to the Charlotte County Administrator, Daniel Witt, and must be received by the County no later than noon on April 29, 2022.
2. All responses to questions will be provided in an official written addendum.
3. The County will not assume responsibility for claims of oral instructions.

B. Addenda

All addenda issued shall become part of this RFP. It is the responsibility of each Offeror to ensure that they obtain a copy of all addenda. Addenda will be posted on the Charlotte County website (www.charlotteva.com).

VIII. SELECTION PROCEDURE AND EVALUATION OF PROPOSALS

The evaluation and selection processes will be governed by and completed in accordance with the Virginia Public Procurement Act (VPPA). If any provision of this RFP is found to be inconsistent or in conflict with such policy, the terms of the VPPA shall govern.

A. Selection Process

1. Using the proposal evaluation criteria specified in this RFP, the County will review all proposals received.
2. After review of the proposals, the County shall engage in discussion meetings and/or interviews with two or more Offerors who have been deemed to be fully qualified, responsible, responsive, and suitable to provide the services set forth by this RFP. The Offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. At the discussion stage, the County may request nonbinding estimates.
3. At the conclusion of the interview stage, on the basis of evaluation factors published in this RFP and all information developed in the selection process, the County shall select in the order of preference two or more Offerors whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, beginning with the Offeror ranked first. If a contract satisfactory and advantageous to the County can be negotiated at a price 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 price.

4. Should the Charlotte County Board of Supervisors determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror

B. Proposal Evaluation Criteria:

The following criteria will be used to review and evaluate Offerors' proposals:

1. Expertise and experience (25 points) - To include, but not limited to, demonstrated experience, reputation with similar projects, and references
2. Staff Qualifications (10 points)
3. Project Understanding (25 points) - General understanding of the scope of work and the Offeror's corresponding adaptability to the work;
4. Project Approach (30 points) - The project plan, project schedule, and demonstrated solutions to achieving a cost-effective project.
5. Overall quality and completeness of proposal (10 points)

IX. FEES & PAYMENT

The fees for the project shall be established through the competitive negotiation process. Invoices shall be submitted on a monthly basis and shall reflect the work completed. The selected Offeror shall submit invoices to Charlotte County; P.O. Box 608; Charlotte Court House, VA 23923 by the 2nd of each month following the month services are rendered.

X. SPECIAL TERMS AND CONDITIONS

A. Insurance

The selected Offeror shall, during the entire performance of the contract, keep in force at least the following minimum limits of Insurance:

1. Workers compensation insurance shall comply with requirements of the laws of the Commonwealth of Virginia;
2. Professional Liability - \$500,000.00 - Insurance Coverage for Errors and Omissions on Claims Made Basis;
3. General Liability - \$1,000,000 per occurrence - Coverage for personal injury, bodily injury, and property damage;
4. Automobile Liability - \$1,000,000 combined - Coverage for owned, hired, non-owned, bodily injury, and property damage.

The selected Offeror shall furnish an original Certificate of Insurance. Charlotte County shall be named as an additional insured and so endorsed on the policy. No insurance certificate is required at the time of proposal submission.

B. Contract Modification

The parties may agree in writing to modify the 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 scope of the contract.

C. Ethics in Public Procurement

By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer, or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, service, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

D. Termination of Contract for Convenience

Charlotte County, by written notice, may terminate the resulting contract in whole or in part when it is determined by the public body to be in the County's best interest. Termination shall be effected by serving a notice of termination. In the event of termination pursuant to this paragraph, the County shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of this termination.

E. Termination of Contract by Default

Should the selected Offeror fail to deliver the services in accordance with the contract terms and conditions, the County has the right to terminate any contract resulting from this solicitation for default. Termination shall be effected by serving a notice of termination stating the manner of the default. In the event of termination pursuant to this paragraph, the County shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of this termination less any fines or other fees that may be withheld.

F. Ownership Of Documents

The selected Offeror agrees that all information gathered and/or prepared under the terms of this solicitation, shall be delivered to the County of Charlotte and shall become and remain the property of the County upon completion of the work or termination of the contract. The County shall have the right to use and reproduce said data and reports, without additional compensation to the selected Offeror.

XI. GENERAL TERMS AND CONDITIONS

- A. All proposals must be submitted in accordance with this RFP. All information received shall become part of the proposal.
- B. The Offeror certifies that it knows of nothing that could raise the issue of conflict of interest with regard to this RFP.
- C. A contract shall be deemed executory only to the extent of appropriations available for the purchase of such the same or similar goods or services as requested in this proposal. Future obligations shall be subject to future appropriations, if any, by the Board of Supervisors. Nothing contained herein shall be construed to require any future obligation by the Board of Supervisors.
- D. The award of a contract shall be at the sole discretion of the County Board of Supervisors. The award shall be based upon the evaluation of all information made available to the County. The Board reserves the right to enter into any contract deemed to be in its best interest. The County shall not be obligated to furnish a statement of the reason why a proposal was not deemed to be the most advantageous.
- E. An officer of the proposing Offeror must sign the proposal and all issued addenda. Such signature shall bind the Offeror to all obligations under this RFP.
- F. The Offeror agrees that their proposal shall be good and may not be withdrawn for a period of ninety (90) days.
- G. The County shall not be responsible for any expense incurred by any Offeror in preparing and submitting a proposal or participating in the interview and negotiation processes.
- H. All proposals shall become the property of Charlotte County.
- I. Once an award has been made, the original proposals will be retained by the County. All copies will be recycled.
- J. The County Board of Supervisors reserves the right to accept or reject any or all proposals in whole or in part and to waive any informality in the RFP.
- K. This RFP, any subsequent contract and the work performed there under shall be governed in all respects by the laws of the Commonwealth of Virginia. The Offeror shall comply with applicable federal, state, and local laws and regulations.

- L. The Offeror shall not assign, transfer, convey, sublet, or otherwise dispose of any award, or any or all of its rights, obligations, or interests under this contract, without the prior written consent of the County.
- M. The Offeror shall indemnify and save harmless Charlotte County, its supervisors, officers, agents, servants, and employees from and against any and all liability, claims, losses, suits, legal proceedings, and costs occurring from any cause whatsoever in any work required by this RFP.
- N. The Offeror shall agree to the nondiscrimination provisions set out in § 2.2-4311, Code of Virginia.
- O. The Offeror shall agree to the drug-free workplace provisions set out in § 2.2-4312, Code of Virginia.
- P. The Offeror shall agree to comply with all federal immigration laws. The contractor shall not knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986.
- Q. **Proof of Authority to Transact Business in Virginia**
In accordance with § 2.2-4311.2, Code of Virginia, Offerors organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 shall include the identification number issued to it by the State Corporation Commission. Any Offeror not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law shall include a statement describing why they are not required to be so authorized.

**Charlotte County, Virginia
State Corporation Commission Form**

Virginia State Corporation Commission (SCC) registration information. The Offeror:

is a corporation or other business entity with the following SCC identification number:

-OR-

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust

-OR-

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the Offeror in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from Offeror's out-of-state location)

-OR-

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned Offeror's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for bids (the Commonwealth reserves the right to determine in its sole discretion whether to allow such waiver):