



**REQUEST FOR PROPOSALS
AUDIT SERVICES
RFP-2022005**

ISSUE DATE: December 15, 2022
ISSUING AGENCY: Mount Rogers Community Services
PROPOSAL DUE DATE: Friday, January 31, 2023, no later than 5:00 P.M., EST

Mount Rogers Community Services (MRCS) requests qualified independent auditors having sufficient governmental/public entity experience in performing an audit for fiscal year ending June 30, 2023, in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal. There is no expressed or implied obligation for MRCS to reimburse auditor for any expense incurred in preparing proposals in response to this request.

Sealed Proposals, for providing the services as described herein, will be received until the designated time and date stated above at Mount Rogers Community Services, 770 West Ridge Road, Wytheville, VA 24382. Proposals will also be considered received if sent via email to patty.belcher@mountrogers.org by the designated time and date. It is the responsibility of the respondent to ensure proposals are received by the date and time stated.

Completed proposals with "RFP – Audit Services" noted on the envelope should be mailed or delivered directly to the below address and attention. Completed proposals if emailed should be mailed with subject line "RFP – Audit Services" to patty.belcher@mountrogers.org.

Mount Rogers Community Services
ATTN: Patty Belcher
770 West Ridge Road
Wytheville, VA 24382

All inquiries for information pertaining to this RFP should be directed to:

Patty Belcher, Chief Financial Officer
Mount Rogers Community Services
770 West Ridge Road
Wytheville, VA 24382
patty.belcher@mountrogers.org
276-223-3200 Ext 3214

Julie Crim, Budget and Finance Manager
Mount Rogers Community Services
770 West Ridge Road
Wytheville, VA 24382
julie.crim@mountrogers.org
276-223-3200 Ext 3231

Offer and Agreement

In compliance with this Request for Proposals and to all the conditions imposed herein, the undersigned offers and agrees to furnish the goods/services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Name of Vendor: _____
Address: _____

Signature: _____
By: _____
Title: _____
Date: _____
Phone No. & Email Address: _____

MOUNT ROGERS COMMUNITY SERVICES REQUEST FOR PROPOSALS – AUDIT SERVICES

I. INTRODUCTION

Established in 1972, Mount Rogers Community Services is the community services board (CSB) serving children, adults, and families with mental health, developmental and intellectual disabilities, and substance use disorders, in the counties of Smyth, Wythe, Bland, Carroll, Grayson and the City of Galax. Each of these localities appoints representatives to the agency's Board of Directors. Funding is primarily from service fees, the Commonwealth of Virginia, and the Federal Government.

In fiscal year 2022, MRCS served over 9,317 individuals and families through over 26 programs and service lines.

Mount Rogers Community Services, Inc. (MRCS, Inc.) is a 501c(3) blended component unit of MRCS whose purpose is to own, acquire, lease, rent, hold title to and possess real estate, buildings, fixtures, furniture and equipment. The facilities will be used to operate programs to accomplish the principal purposes of The Corporation, or as the agent for the Community Services Board created and acting pursuant to Chapter 10 of Title 37.1 of the Code of Virginia.

The Financial Reporting Entity and Operations

The financial reporting entity includes all funds of MRCS and MRCS Inc.
MRCS also serves as representative payee for clients.

Budgets are adopted annually. MRCSs budget was approximately \$77 million for the year ending June 30, 2023.

Personnel/Payroll

MRCS has approximately 770 employees. Employees are paid bi-weekly using an electronic time and attendance program. The software package used is UKG.

Accounts Payable

MRCS Accounts Payable department processes disbursements for MRCS and MRCS, Inc. During fiscal year 2022, approximately 5,200 checks were disbursed to 697 active vendors.

MRCS's accounting records are located at the Finance Department at 770 West Ridge Road, Wytheville, Virginia. The electronic accounting records are processed using Accounting CS accounting software by Thomson Reuters. The modules used by MRCS include General Ledger, Accounts Payable, Cash Management, and Financial Reporting. In addition to the primary accounting system, the Reimbursement department uses Credible (electronic health record) software for client billing and accounts receivable.

II. PROPOSALS

An original and two copies of the sealed proposals from each bidder for the services specified must be received prior to 5:00 p.m. on January 31, 2023, by MRCS. Complete proposals will also be considered received if sent via email to patty.belcher@mountrorgers.org by the designated time and date. All proposals shall be signed by an authorized representative of the Bidder. All proposal envelopes must have the company name on the outside of the envelope along with the statement "RFP – Audit Services".

Proposals may be mailed, or hand delivered to MRCS at 770 West Ridge Road, Wytheville, VA 24382. It is the Bidder's responsibility to ensure the proposal is received by 5:00 p.m. on January 31, 2023. Proposals received after 5:00 p.m. may not be accepted or considered. MRCS will not be responsible for the loss of any proposal that is not appropriately marked as specified. Faxed proposals are not acceptable.

Bidders must address each item in this RFP in the order in which it appears. The terms "noted", "considered", and "understood" are not acceptable. Bidders shall respond to each item individually with "agreed", "will comply" or provide a satisfactory explanation of their variance from the request. Such variances, in themselves, will not eliminate the proposal from consideration, but will be

evaluated along with other selection criteria. Failure to answer any requirement within this specifications package may subject the total proposal to rejection.

In responding to this RFP, bidders must follow the prescribed format. Each bidder will be providing MRCS with data comparable to data submitted by other bidders and thus be assured of fair and objective treatment in the review and evaluation process.

Location of Services

Primary audit services will be at MRCS, 770 West Ridge Road, Wytheville, VA 24382.

Reservation

While price is a major consideration, MRCS will consider all aspects of each proposal, including guarantees respecting the installation and servicing arrangement. This RFP does not commit MRCS to award a contract or to pay costs incurred in the preparation of responses to this RFP. MRCS reserves the right, at any time prior to award of the contract, to reject any and all proposals, or any part thereof, to make no award, and/or to issue a new RFP, or make modifications, corrections, or additions to the information contained herein. Bidders are cautioned this is a Request for Proposal, not a request for contract.

Evaluation Criteria

The following criteria will be used to evaluate the proposals but not necessarily in the order given:

- a. How thoroughly the proposal depicts an understanding of the work to be performed
- b. The firm's technical experience
- c. The audit team's experience and professional development, including experience in large public agency/governmental auditing
- d. Experience working with single audit concept
- e. Experience working with other Community Services Boards/Agencies in the State of Virginia
- f. Compliance with RFP terms and conditions

Oral Presentation

Bidders who submit a proposal in response to this RFP may be required to give an oral presentation in addition to their proposal to MRCS. This will provide an opportunity for the Bidder to clarify or elaborate on the proposal. MRCS will schedule the time and location of these presentations. Oral presentations are an option of MRCS and may not be conducted.

Important Dates

There are several dates that are important in the process.

RFP's Due	January 31, 2023; 5:00 pm
Anticipated Interview dates	February 28 – March 7, 2023
Award date	April 1, 2023
Final Audit report presented to MRCS	November 15, 2023

III. PURPOSE

The purpose and intent of this RFP is to enter into a contract with an auditor to provide audit services for a three (3) year term, with two (2) optional one-year renewals.

The Finance Department staff will provide assistance during the audit. Auditors will have access to all printed reports and the availability to view electronic records. Much of the agency's financial information can be exported into electronic formats.

The audit will be conducted in accordance with generally accepted auditing standards and financial statements will include management's discussion and analysis required by generally accepted accounting principles. In addition, the auditor is expected to provide informal advice and consultation throughout the year on matters relating to regulations, accounting, and financial reporting. This would not necessarily include any task that entails significant research or a formal report.

Should circumstances arise during the audit requiring significant additional work to be performed in excess of the amounts set forth in the contract, additional costs shall be negotiated prior to commencement of the work and an amended contract executed.

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

- a. A report on the fair presentation of the financial statements in conformity with general accepted accounting principles for MRCS. The audit will include an expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with general accepted accounting principles in the United States of America.
- b. The audit will also include reporting on internal controls related to the financial statements and compliance with laws, regulations and provisions of contracts or grant agreements. In addition, the report will include a report on internal controls related to major programs and an opinion on compliance with laws, regulations and provisions of contracts or grant agreements.
- c. A schedule of findings and questioned costs (Single Audit) and all required compliance reports.

The auditor shall provide MRCS with 20 copies of the financial statements, Auditor's Report, and management letter including management responses. The audit and all reports must be completed no later than November 15, 2023, and November 15 of any subsequent year for which a renewal is granted for these financial statement and audit services.

Each annual audit will include written recommendations made to management, which address any findings, observations, opinions, or comments relating to internal controls, financial systems, compliance, or other matters that come to the attention of the auditors during the examination process. This management letter shall be provided in draft form prior to publication of the final report and discussed with MRCS officials.

The working papers shall be retained, at the auditor's expense, and made available upon request by MRCS or any appropriate agency for no less than five years from the date of the audit report.

The planning phase of the audit engagement may commence upon notification to the auditor of acceptance of their proposal. The auditor shall meet with the Chief Financial Officer, and other Finance staff as determined by the Chief Financial Officer, prior to the commencement of each audit to discuss the auditor's planned approach to the audit and to provide a list of schedules to be prepared by MRCS staff prior to the beginning of fieldwork. It is expected that interim field work will be performed in May/June with the final phase of field work commencing in August/September.

An exit conference is required of the auditor upon completion of fieldwork to discuss any management recommendations or required communications with the Chief Financial Officer and the Chief Executive Officer. The meeting should occur at the end of the week audit fieldwork is performed.

IV. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENT

RFP Response

To be considered for selection, bidders must submit a complete response to this RFP including requirements listed in all sections of this RFP. One original and two copies of each proposal must be submitted to the address listed on the first page. No other distribution of the proposals shall be made by the bidder.

Proposal Preparation

- A. Proposals shall be signed by an authorized representative of the bidder. By signing this proposal, the bidder certifies that it will remain in full compliance with:
 - The Federal Civil Rights Act of 1964, as amended;
 - The Federal Immigration Reform and Control Act of 1986;
 - The Virginia Fair Employment Act of 1975, as amended, where applicable;
 - The Virginia Conflict of Interest Act;

- The Virginians With Disabilities Act;
 - The Americans With Disabilities Act;
 - Section 11-51 (Employment Discrimination Act) of the Virginia Public Procurement Act;
 - Section 11-77 and 11-78 (Ethics in Public Contracting) of the Virginia Public Procurement Act;
 - The Antitrust laws of the United States and the Commonwealth of Virginia.
- B. All information requested must be submitted. Failure to submit all information requested may result in MRCS requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals that are substantially incomplete or lack key information may be rejected by MRCS. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- C. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
- D. Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume. The proposal package should be clearly marked as: "RFP – Audit Services."
- E. Ownership of all data, materials and documentation originated and prepared for MRCS pursuant to the RFP shall belong exclusively to MRCS and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by a bidder shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the bidder must invoke the protections of Section 11-52 of the Virginia Public Procurement Act prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

V. SPECIFIC REQUIREMENTS

Proposals should be as thorough and detailed as possible so that MRCS may properly evaluate bidder's capabilities to provide the required services. Bidders are required to submit the following items as a complete proposal:

- A. Title Page: The return of the RFP cover sheet completed and signed as required.
- B. Letter of Transmittal
- i. Limit of two pages.
 - ii. Briefly state your understanding of the work to be accomplished and whether or not you can perform the work within the time period.
 - iii. Provide the names of the persons who will be authorized to make representations for your firm, their titles, addresses, and telephone numbers.
- C. Profile of the Firm (provide/state how the firm meets the following)
- i. Provide information on whether the firm is local, state-wide, or national
 - ii. The firm is independent and licensed to practice in Virginia
 - iii. Give the location of the office from which the work is to be performed and the number/types of staff employed at the office.
 - iv. Describe the range of activities performed by the local office, such as audit, accounting, tax services, or management services.
 - v. Describe the local office's electronic capability.
 - vi. Provide a summary of work with public entities including community services boards in Virginia. Include experience working with public funds from federal, state and local sources.
 - vii. Describe experience working with behavioral healthcare reimbursement from Medicare and Medicaid funds.

- D. Summary of the Proposer's Qualifications (in addition to the minimum qualifications)
 - i. Identify the partners, managers, and supervisors who will work on the audit.
- E. Describe recent local and state-wide public agency auditing experiences similar to what is being requested and for an entity that approximates the size and complexity of MRCS.
- F. Scope Section
 - i. Clearly describe the scope of the required services to be provided.
 - ii. Comment specifically on the timeline and how MRCS can assist in expediting the audit. Describe assistance expected from MRCS staff, other than outlined in the RFP.
- G. Compensation
 - i. Estimate the total hours and maximum fee for the audit of the fiscal year ended June 30, 2023. Include the hourly rates to be charged for each staff classification. Include the expected level of fees for future engagements. Please also provide a total amount charged for drafting the audit report, as part of the total fee.
 - ii. For each additional proposal year, including extensions, please provide the total hours and maximum fee.
- H. References
 - i. Please provide a minimum of three (3) references that MRCS may contact regarding audit services provided by your firm. If prior work includes work with other community services boards in Virginia, please include one or more in the reference list. Please include entity name, contact person's name and position, address, phone number and email address.

VI. EVALUATION AND AWARD CRITERIA

Evaluation Criteria

Selection criteria will include the following:

- i. Qualifications and experience of the bidder in providing the required goods and services;
- ii. Experience working with Community Services Boards in Virginia;
- iii. Bidder's understanding of and ability to meet MRCS's requirements;
- iv. Bidder's ability to define their performance objectives in their response;
- v. Reasonable timeframes for process;
- vi. Pricing.

Award

The selection process will be in accordance with Section 11-37 "Competitive Negotiation" of the Code of Virginia. Negotiations shall be conducted, beginning with the bidder ranked first. At the discussion stage, MRCS may discuss nonbinding estimates of total costs for financial statement audit services. Fees for additional services must be mutually agreed upon by the bidder and MRCS. If a contract satisfactory and advantageous to MRCS can be negotiated at a price considered fair and reasonable, the award shall be made to that bidder. Should MRCS determine in writing and in its sole discretion that only one bidder is fully qualified, or that one bidder is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that bidder.

VII. GENERAL TERMS AND CONDITIONS

Mandatory Use of MRCS Form and Terms and Conditions

Return of this document with the completed signature and contact information listed on page 1 with the bidder's proposal in the format specified in section A is required. Failure to submit in this format, modification of or additions to any portion of this RFP document, may be cause for rejection of the proposal; however, MRCS reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

Clarification of Terms

If any prospective bidder has questions about the specifications or other requirements in this RFP document, the prospective bidder should contact the CFO whose name appears on the face of this RFP document, no later than five days before the due date. Any revisions to this RFP document will be made only by addendum issued by the CFO.

Payment Terms

Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after receipt of invoice or delivery, whichever occurs last. However, this shall not affect offers of discounts for payment in less than 30 days.

Invoices

Invoices for services ordered, delivered, and accepted shall be submitted by the contractor to the attention of Patty Belcher, Chief Financial Officer and mailed to MRCS's address as shown on the RFP cover sheet.

Default

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

Assignment of Contract

A contract shall not be assignable by the contractor in whole or in part without the written consent of MRCS.

Antitrust

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

Anti-Discrimination

By submitting their proposals, all bidders certify to MRCS they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Act of 1975, as amended, where applicable, and Section 11-51 of the Virginia Public Procurement Act which provides:

In every contract over \$10,000 the provisions in A and B below apply:

A. During the performance of this contract, the contractor agrees as follows:

- The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin 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.
- The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this Section.

B. The contractor will include the provisions of B above in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or bidder.

Debarment Status

By submitting their proposal, all bidders certify that they are not currently debarred from submitting proposals on contracts by any agency of the Commonwealth of Virginia, nor are they an agent of any person or entity that is currently debarred from submitting proposals on contracts by any agency of the Commonwealth of Virginia.

Applicable Law and Courts

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

Qualifications of Bidders

MRCS may make such reasonable investigations as deemed proper and necessary to determine the ability of the bidder to perform the work and the bidder shall furnish to MRCS all such information and data for this purpose as may be requested. MRCS reserves the right to reject any proposal if the evidence submitted by or investigations of such vendor fails to satisfy MRCS that such vendor is properly qualified to carry out the obligations of the contract and to complete the work contemplated herein.

Immigration Reform and Control Act of 1986

By submitting their proposals, the vendors certify that they do 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.

Subcontracts

No portion of the work shall be subcontracted without prior written consent of MRCS. The Contractor will remain fully liable and responsible for all work done by any subcontractor and assure compliance with all requirements of the contract.

Ethics in Public Contracting

By submitting their proposals, all vendors certify that: (1) their proposals are made without collusion or fraud; (2) they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal; and (3) they have 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.

VIII.SPECIAL CONDITIONS

Ownership of Material

Ownership of all data, material, and documentation originated and prepared for MRCS pursuant to the RFP shall belong exclusively to MRCS 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 vendor must invoke the protection of this section prior to or upon submission of the data or other materials and must identify the data or other materials to be protected and state the reasons why protection is necessary.

Insurance

During the period of the Contract MRCS reserves the right to require the Contractor to furnish certificates of insurance for the coverages required by MRCS and Commonwealth as indicated.

1. By signing and submitting a proposal under this solicitation, the vendor certifies that if awarded the contract, it will have the following insurance coverages at the time the work commences. Additionally, it will maintain these during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. If vendor does not have or cannot obtain these insurances, MRCS reserves the right

to waive or reduce certain insurance requirements.

2. Insurance Coverages Required

- i. Worker's Compensation – at the statutory limits.
- ii. Broad Form Comprehensive General Liability--\$1,000,000 Combined Single Limit, with the Commonwealth of Virginia named as additional insured.
- iii. Professional Liability – limits of \$1,000,000 at minimum
- iv. Automobile Liability--\$1,000,000 Combined Single Limit at minimum.

3. The bidder's signature on this solicitation constitutes certification that if awarded the contract, the bidder shall obtain the necessary coverage as specified within a specific number of days, as specified by MRCS, of notification of award of the contract.

Proposal Acceptance Period

This proposal shall be binding upon the offer for 90 calendar days following the proposal opening date as specified on page 1. Any proposal on which the vendor shortens the acceptance period without prior written agreement by MRCS may be rejected.

Cancellation of Contract

MRCS reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty upon 60 days written notice to the Contractor. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effect.

Availability of Funds

It is understood and agreed between the parties herein that MRCS shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

Extension of Contract

This contract may be extended by MRCS, at its sole discretion, upon written agreement of both parties under the terms of the current contract. Fees will be negotiated.

Changes to the Contract

MRCS may order changes within the general scope of the contract at any time by written notice to the vendor. The vendor shall be compensated for any additional costs incurred as the result of such order and shall give MRCS a credit for any savings. Said compensation shall be determined by mutual agreement between the parties in writing.

Confidentiality

The vendor selected must sign and comply with MRCS's Business Associate Agreement (see Appendix A. As a Covered Entity under the Federal Health Insurance Portability and Accountability Act (HIPAA), MRCS must ensure that any client Protected Health Information (PHI) disclosed to the vendor is treated confidentially and in full compliance with HIPAA Privacy Regulations.