



# COMMONWEALTH of VIRGINIA

Thelma D. Drake  
Director

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION  
600 EAST MAIN STREET, SUITE 2102  
RICHMOND, VA 23219

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VIRGINIA RELAY CENTER  
1-800-828-1120 (TDD)

## **Contract for General Financial Consultant Services for Non-Professional Services**

*Contract Number 505-13-CC0001*

**THIS CONTRACT for General Financial Consultant Services in Virginia** is entered into this 20th day of September, 2012 by SC&H Group, LLC, (the "Contractor"), and Commonwealth of Virginia, Department of Rail and Public Transportation (DRPT), (the "Department" or "Purchasing Agency").

WHEREAS, on May, 30, 2012 in keeping with the Virginia Public Procurement Act, §§ 2.2-4300 *et seq.* of the *Code of Virginia* (the "Act"), the Department issued Request for Proposal number 505-12-RR0001 (the "RFP") seeking competitive negotiation for General Financial Consultant Services; and

WHEREAS, on June 22, 2012, the Contractor submitted a proposal (the "Proposal"), which is hereto attached and marked as Exhibit B; and

WHEREAS, after consideration and evaluation of all the proposals pursuant to the Act, the Department has determined that a contract should be awarded to the Contractor.

NOW THEREFORE, in consideration of mutual covenants, promises and agreements herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. SCOPE OF WORK:** The Contractor shall provide the services to the Department as set forth in the following:
  - a. The RFP, which is hereto attached, marked as Exhibit A, and made a part of this document:
  - b. The Proposal which is hereto attached and marked as Exhibit B and hereby made a part of this document, and the negotiated modification to the proposal contained in the Contractor's Final Price Schedule dated June 22, 2012, which is hereto attached and marked as Exhibit C, and hereby made a part of this document.

2. **TERM.** The term of this contract shall be for a period of three years, renewable for up to two successive one-year periods.

3. **CERTIFICATION REGARDING LOBBYING:** The Contractor hereby certifies that it is in compliance with 49 C.F.R. Part 20, Certification Regarding Lobbying.

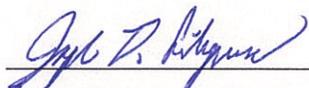
4. **NOTICE TO PROCEED:** No work shall be done by the Contractor prior to receipt of written notice to proceed in the form of an eVA Task Order from the Department Contract Manager. The Department will not be responsible for payment for work done in advance of such notice.

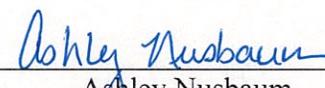
5. **ADDITIONAL TERMS:** This will be a Requirements contract with fixed labor rates. The consideration for Task Orders will be paid on a fixed billable rate basis using fully loaded hourly bill rates as shown in the attachment. The fully loaded hourly bill rates will remain constant for the first three years of the contract. Fees for specific task assignments shall be in accordance with the Price/Cost Chart included in the Final Price Schedule for the approved individuals assigned to the task. Task Orders may be issued on a fixed price or time and materials basis. All Task Orders will have a maximum cost.

IN TESTIMONY THEREOF, the parties have caused this contract to be executed, each by its duly authorized officers, all as of the day, month, and year hereinabove first written.

**SC&H GROUP, LLC**

**DEPARTMENT OF RAIL  
AND PUBLIC TRANSPORTATION**

By:   
Name: JOSEPH D. FREIBURGER  
Title: DIRECTOR  
Date: September 24, 2012

By:   
Ashley Nusbaum  
Financial Compliance and  
Procurement Analyst  
Date: September 26, 2012

**REQUEST  
FOR  
PROPOSAL**

**505-12-RR0001**

**Contract For  
General Financial Consultant Services – Competitive  
Negotiation for Non-professional Services**

**There will be an Optional pre-proposal  
conference for this solicitation  
June 8, 2012 at 10:00 a.m.**

**Offeror Registration: In order to receive an  
award you must be a registered Offeror with  
eVA.**

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



# Request for Proposals

RFP #: **505-12-RR0001**

Issue Date: **May 30, 2012**

Title: **Contract for General Financial Consultant Services –  
Competitive Negotiation for Non-professional Services**

Commodity Code: **918-12 Consulting Services**

Issuing Agency: **Commonwealth of Virginia  
Department of Rail and Public Transportation  
600 East Main Street, Suite 2102  
Richmond, VA 23219**

Initial Period of Contract: **Three years from date of award**

Proposals  
Will be received until: **June 22, 2012  
5:00 p.m. (Close of Business)**

All Inquiries to: **Ashley Nusbaum  
Financial Compliance and Procurement Analyst  
Phone: (804) 786-2890 FAX: (804) 225-3752  
E-Mail: ashley.nusbaum@drpt.virginia.gov**

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**ALL PROPOSALS MUST BE MAILED OR HAND DELIVERED TO THE ADDRESS ABOVE**

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

**Name and Address of Firm:**

_____	_____
Company Name	Date
_____	_____
Address	Signature in Ink
_____	_____
City, State, Zip	Printed or Typed Name of Above
_____	_____
FEI/FIN Number	Phone
_____	_____
E-mail	Fax

**\* An Optional Pre-Proposal Conference will be held on June 8, 2012 at 10:00 a.m. in the State Corporation building located at 1300 E. Main Street, Richmond, 2nd Floor, Courtroom A. See Section VIII for more information.**

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**Small, Women, and Minority (SWAM) Owned Businesses are encouraged to participate.**

# **REQUEST FOR PROPOSALS**

Contract for General Financial Consultant Services

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## **I. CONTRACT AMOUNT AND TERM**

The initial contract term shall be for a period of three (3) years, renewable for up to two (2) successive one-year periods. The compensation of this contract is estimated to be \$3,000,000 (to be divided among qualified firms). The effective date of the contract will be determined at time of award.

## **II. PURPOSE**

The Department of Rail and Public Transportation (DRPT), an agency of the Commonwealth of Virginia, is issuing this Request for Proposal (RFP) to solicit sealed proposals from qualified single entities or a team of firms offering as one single entity to establish a contract through competitive negotiation for the purchase of General Financial Consultant Services related to DRPT's programs, projects, and initiatives. **It is the intent of DRPT to award to multiple qualified firms.**

## **III. BACKGROUND**

DRPT was created in 1992. Its mission is to improve the mobility of people and goods while expanding transportation choices in the Commonwealth. DRPT consists of the Director's office, an Operations Division, and Finance and Administration.

DRPT's Operations Division assists passenger rail operations, freight rail operations, planning and special projects. Passenger and freight rail operations involve coordinating with both public and private entities to enhance rail operations, planning and development. Rail Planning involves providing input on state and federal rail policy and regulations, track abandonment, freight and passenger rail feasibility analysis, identification of freight rail needs, and updates to state rail studies, maps and plans. Rail special projects include demand analysis for passenger rail studies, rail capacity analysis, and coordinating with local and regional transportation authorities on rail modeling issues and intermodal studies.

The Operations Division also assists more than 40 public transit agencies, 50 human service providers and 15 commuter assistance agencies that combined carry nearly 700,000 Virginians to work every day in something other than their own cars. Transit demand management services are provided through a unique partnership between DRPT, fifteen local commuter assistance programs, Metropolitan Planning Organizations, various Transportation Management Associations (TMAs) and the Virginia Department of Transportation (VDOT). DRPT also provides technical and financial support to local commuter assistance agencies through grant programs, research, training, and marketing assistance.

The Finance and Administration Division is responsible for administering agency funds that empower our grantees to deliver efficient, effective transportation services. DRPT has a complex accounting environment utilizing 15 funds to account for 2000 open grants and projects involving the activities of approximately 75 grantees. DRPT is a funding and technical assistance participant in projects that combine federal, state, and local funding.

## **Background, continued**

Revenues for fiscal year 2013 (July 1, 2012 – June 30, 2013) are estimated to be \$481 million. Approximately \$130 million annually is received for the transit and congestion management programs from a legislatively mandated share of taxes (retail sales tax and motor vehicle fuel sales tax) and fees (DMV registration fees). Rail activities receive a share of the motor vehicle rental tax totaling about \$27 million annually. DRPT oversees \$104 million in federal funding primarily through the Federal Railroad Administration and the Federal Transit Administration under § 5303 (Metropolitan Planning Organizations), § 5304 (Statewide Planning and Research), § 5307 (Large Urban Cities), § 5309 (Major Capital Investments – New Starts Programs), § 5310 (Elderly and Disabled Persons), and § 5311 (Rural and Small Urban). Additional long term funding was created under HB 3202. The new legislation provided 2 cents of the recordation tax to the transit operating program in fiscal year 2009 and bond funding for capital programs for both rail and transit totaling \$24 million in fiscal year 2008 and \$73 million per year, thereafter.

The agency budget of \$480.9 million for fiscal year 2012 is allocated as follows: \$11.4 million to the Dulles Corridor Metrorail Project, \$110.8 million to rail related activities, \$352.8 million to transit & congestion management activities, and \$5.9 million to agency administration. All disbursement and grant/project budgeting activities are accounted for utilizing an internally developed system - the Invoice Creation And Processing System (ICAPS). The main benefits of ICAPS are real-time financial reporting, project/grant budgeting capabilities, and an integrated financial and procurement system. The agency's financial transactions are exported on a daily basis for actual payment processing to the official financial system of the state of Virginia - the Commonwealth Accounting and Reporting System (CARS). CARS is maintained and overseen by the Department of Accounts (DOA), and as such DRPT is subject to the accounting rules and regulations as promulgated by DOA. Additionally, finance and administration works within the auspices of the Department of Planning and Budget (DPB) and the Department of the Treasury in regards to budgeting and treasury activities.

Finance and Administration's core financial duties are to perform the following:

- Develop and implement a six-year plan of allocations (Commonwealth Transportation Board (CTB) approved)
- Develop and monitor the annual budget (CTB approved)
- Project and task order budgeting
- Revenue collection and cash management
- Process expenditures and payroll
- Financial reporting

#### IV. STATEMENT OF NEEDS

Consulting services are to be provided related to the financial aspects of DRPT programs, projects, and initiatives. The Offeror shall furnish all labor, materials, etc. These functions include: Internal Control Assessment, Financial Planning and Analysis, and Other Financial Services. DRPT does not require the use of licensed professionals to perform the services to be provided.

##### 1. Internal Control Assessment

- Conduct an agency-level assessment of internal controls for significant financial processes including testing of the effectiveness of the agency-level controls.
- Conduct a process and transaction-level internal control assessment using Strengths, Weaknesses/Limitations, Opportunities, and Threats (SWOT) analysis and including testing of the transaction-level controls.
- Develop corrective action plans for weaknesses in fiscal processes.

##### 2. Financial Planning and Analysis

- Develop/review financial plans for DRPT or its grantees (Examples include potential passenger rail operations or required financial plans under the Federal Transit Administration New Starts program).
- Conduct operational planning including analysis of operating budgets, and revenue estimates for DRPT grantees.
- Develop/review financial forecasts for DRPT and its grantees for both operational and capital needs.
- Conduct financial due diligence of the agencies' grantees or project partners.
- Review existing agreements/contracts from the financial perspective and develop new agreements that address public benefit measures and contingent interests.
- Develop processes for administering various types of projects using grant agreements and contracts. These processes should encompass the administrative, funding, and budgeting aspects, as well as the payment of invoices in accordance with the agreements/contracts and compliance with state and federal guidelines.
- Analyze and assist with the development of revenue and cash management practices of DRPT.
- Prepare/review cash flow forecasts for DRPT or for certain projects in which DRPT is a funding participant.

##### 3. Other Financial Services

- Conduct financial compliance reviews of DRPT grant or project agreements.
- Other work of a nature consistent with the intent of the RFP.

**Services procured under this contract will be done on a Purchase Order basis. No commitment is made until a Purchase Order is issued. For certain purchase orders the scope of services prepared by DRPT may be sent to multiple firms awarded under this contract for Offeror estimate.**

## V. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

### GENERAL REQUIREMENTS

**1. RFP Response** - In order to be considered for selection, Offerors must submit a complete sealed written response to this RFP. One original and five copies (so marked) of each proposal must be submitted to DRPT. No other distribution of the written proposal shall be made by the Offeror. Proposals must be received at the following location by June 22, 2012 at 5:00 p.m. (Close of Business).

Commonwealth of Virginia  
Department of Rail and Public Transportation  
600 East Main Street, Suite 2102  
Richmond, VA 23219

In addition, the Offeror may be required to make a subsequent oral presentation detailing how the Offeror would approach the specific program objectives outlined in the Statement of Needs.

### 2. Written Proposal Preparation

- A. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in the DRPT 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 DRPT at its discretion.
- B. 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, subletter, 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 subletter 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.
- C. Proposals should be prepared simply and economically, providing straightforward concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. Each copy of the proposal should be in a single volume where practical. Elaborate brochures and other representations beyond that sufficient to present a complete and effective proposal are neither required nor desired. **No proposal, in its entirety, should exceed 100 pages one-sided.**

## **SPECIFIC PROPOSAL REQUIREMENTS**

Proposals should be as thorough and detailed as possible so that DRPT may properly evaluate the Offerors capabilities to provide the required services. Offerors are required to submit the following items in order for their proposal to be considered complete.

**RFP Cover Sheet** – The RFP Cover Sheet (Page 2 of this RFP) shall be completely filled out and signed as required.

**Tab 1 Understanding of Work and Plan for Providing Services** – The Offeror must provide a detailed description of its understanding of the services to be provided with descriptions of the approach and procedures employed on similar projects elsewhere. The Offeror must describe the process it will follow to respond to a specific purchase order request from DRPT. The Offeror should also describe the management procedures it will follow to oversee work by its personnel and work by Subofferors on multiple purchase orders simultaneously.

**Tab 2 Experience and Qualifications** – The Offeror must describe the skills and qualifications it has available to perform the various types of tasks described in the Statement of Needs. The key personnel who could be assigned to these various tasks should be identified. DRPT recognizes that due to the long term, open-ended nature of the agreement that will be issued as the result of this RFP, Offerors will not be able to guarantee that all of the individuals identified in the proposal will be available for assignment when a specific purchase order request is issued. The Offeror must therefore demonstrate that it has sufficient personnel with the various types of skills needed to staff the purchase orders when needed. The Offeror shall provide all of the following information concerning its Company, Subofferors and personnel qualifications.

- A.** A detailed statement indicating the organizational structure under which the firm proposes to conduct business. If more than one firm is involved in this project, state the type of arrangement between the firms and the percentage of work to be performed by each.
- B.** A list of the key personnel including Subofferors who could be assigned to the various tasks identified. Give the relevant experience record of each and include resumes and any certifications.
- C.** A list of references to include name, address, telephone number, project, and amount of project.

## SPECIFIC PROPOSAL REQUIREMENTS, continued

**Tab 3 Virginia Department of Minority Business Enterprise (DMBE/SWAM) Participation** – The Offeror shall indicate the percentage of DMBE/SWAM participation and specify the types of work to be performed by DMBE/SWAM Subofferor. In order to be considered for the selection of this Request for Proposals, the Offeror must submit six copies of the Small Business Subcontracting Plan. A blank copy of this document is included as **Attachment C**.

All DMBE/SWAM Offerors or Subofferor must be certified with the Virginia Department of Minority Business Enterprise. If the DMBE/SWAM is not certified they must demonstrate that they are eligible to be certified, and they must receive such certification prior to the solicitation due date. The Virginia Department of Minority Business Enterprise can be contacted at (804) 786-6585. The DMBE/SWAM goal for this contract is **25 percent**; if the DMBE/SWAM is the Prime Offeror, the Offeror will receive full credit for planned involvement.

**Tab 4 Contact Person** – The primary Offeror must identify the name, telephone number and e-mail address for the contact person who will be responsible for coordinating the efforts and personnel of all parties and/or Subofferor involved in the proposal.

**Tab 5 Staffing and Pricing Plan** – Offerors shall identify all staff positions by person and actual hourly rates (base rate, overhead and profit listed separately along with the total rate) in the Price Schedule (**Attachment D**) for the three potential services described in the Statement of Needs, and listed pursuant to Tab 2. Final pricing/rates will be addressed in the negotiation phase.

## VI. EVALUATION AND AWARD CRITERIA

**A. EVALUATION CRITERIA** - Multiple consultant teams will be qualified and selected by DRPT's Selection Committee as a General Financial Consultant (GFC) for rail and public transportation programs, projects, and initiatives based on the following weighted criteria:

<u>FOR SERVICES</u>	<u>POINT VALUE</u>
1. Qualifications and experience of Offeror staff to be assigned to perform the services	60 points
2. Commitment to SWAM Utilization	20 points
3. Specific plans or methodology to be used to perform services	10 points
4. Price	10 points
Total Points	<hr/> 100 points

**B. AWARD TO MULTIPLE OFFERORS** - Selection shall be made of multiple Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals. Negotiations shall be conducted with the Offerors so selected. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offerors, which, in its opinion, have made the best proposal, and shall award the contract to those Offerors. The Commonwealth reserves the right to make multiple awards as a result of this solicitation. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. (§ 2.2-4359(D), *Code of Virginia*.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and of the Consultant's proposal as negotiated. In the event there is a conflict between the Offeror's proposal and the requirements, terms, and conditions of the solicitation, the requirements, terms, and conditions of the solicitation shall apply.

## **VII. REPORTING AND DELIVERY REQUIREMENTS**

**A. MEETINGS AND REVIEWS** - DRPT shall hold an initial conference with the Offeror at a place and time selected by DRPT for the purpose of reviewing the Offeror's schedules, procedures, methods, and to clarify any ambiguities that may then exist. The Offeror's Principal Officer and others requested by DRPT shall attend the conference. DRPT may request additional reviews during the contract period to evaluate vendor performance and provide feedback.

**B. PROGRESS REPORTS** – Offerors must meet all due dates on all tasks assigned. To provide feedback to DRPT concerning this requirement, the Offeror shall submit monthly progress reports providing detailed information on the status of the work effort on each of the various project tasks. The progress reports shall include total authorized funds and expended funds to date. It shall summarize all work efforts in the reporting period including personnel and hourly utilization. It shall also discuss any anticipated difficulties and proposed resolution.

### **C. SWAM REPORTING AND DELIVERY REQUIREMENTS**

- The Offeror shall provide to DRPT, in a form as required by DRPT, documentation that the Offeror has utilized SWAM businesses in accordance with the Offeror's SWAM utilization plan (**Attachment C** of the RFP). Said documentation shall be provided semi-annually or as required by DRPT.
- The Offeror shall use **Attachment E** (Monthly DMBE/SWAM Certified SubOfferor Report) or other form approved by DRPT to report amounts paid to SWAM and non-SWAM businesses on a monthly basis as well as paid to date. Said attachment or other approved form shall be submitted with the monthly progress reports addressed above.

**VIII. OPTIONAL PRE-PROPOSAL CONFERENCE** - There will be an optional pre-proposal conference for this RFP on June 8, 2012 at 10:00 a.m. in the State Corporation Commission building located at 1300 E. Main Street, Richmond, 2nd Floor, Courtroom Room A. The purpose of this conference is to allow potential Offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation. The telephone number for directions to the conference location is 804-786-6777 and the address is 1300 E. Main Street, Richmond, VA 23219. While firms are not required to attend this pre-proposal conference in order to submit a response to this solicitation, attendance is strongly recommended.

Any changes resulting from this conference will be issued as a written addendum to the RFP.

**IX. REQUIRED GENERAL TERMS AND CONDITONS** - For a listing of the General Terms and Conditions, please see **Attachment A**.

**X. SPECIAL TERMS AND CONDITIONS** - For a listing of the Special Terms and Conditions, please see **Attachment B**.

**XI. METHOD OF PAYMENT** - Payments will be made monthly within 30 days after receipt of a properly presented invoice and acceptance of completed work.

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## Attachment A

### REQUIRED GENERAL TERMS AND CONDITIONS

**1. VENDOR'S MANUAL:** This solicitation is subject to the provisions of the *Commonwealth of Virginia Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at <http://www.dgs.virginia.gov/Services/tabid/121/Default.aspx> under "Procurement Manuals."

**2. APPLICABLE LAW 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 courts of the Commonwealth. The agency and the Offeror are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The Offeror shall comply with applicable federal, state and local laws, rules and regulations.

**3. ANTI-DISCRIMINATION:** By submitting their proposals, Offerors certify to the Commonwealth that they 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)*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body (§ 2.2-4343.1(E), *Code of Virginia*). In every contract over \$10,000 the provisions in (A) and (B) below apply:

(A) 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 and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

## **Attachment A**

### **REQUIRED GENERAL TERMS AND CONDITONS**

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.

(B) The Offeror will include the provisions of (A) above in every sub-contract or purchase order over \$10,000 so that the provisions will be binding upon each Subofferor or vendor.

**4. ETHICS IN PUBLIC CONTRACTING:** By submitting their proposals, Offerors certify their proposals are made without collusion or fraud and they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or Subofferor in connection with their proposal, and 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.

**5. IMMIGRATION REFORM AND CONTROL ACT OF 1986:** By submitting their proposals, the Offerors certify that they do not and will not during the performance of this contract knowingly employ an unauthorized alien worker as defined in the *Federal Immigration Reform and Control Act of 1986*.

**6. DEBARMENT STATUS:** By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on contracts for the type of services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

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

## **Attachment A**

### **REQUIRED GENERAL TERMS AND CONDITONS**

**8. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS:** Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, DRPT reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

**9. CLARIFICATION OF TERMS:** If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

#### **10. PAYMENT TO PRIME OFFERORS:**

##### A. To Prime Offeror:

1. Invoices for items ordered, delivered and accepted by DRPT shall be submitted by the Offeror directly to the payment address shown on the purchase order. All invoices shall show the DRPT contract number and purchase order number; social security number (for individual Offerors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

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

3. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the Offeror at the contract price, regardless of which public agency is being billed.

4. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the *Virginia Debt Collection Act*.

5. Unreasonable Charges – Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Offerors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, DRPT shall promptly notify the Offeror, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Offeror may not institute legal action unless a settlement cannot be reached within 30 days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).

## **Attachment A**

### **REQUIRED GENERAL TERMS AND CONDITONS**

**B. To Subofferors:**

1. A Offeror awarded a contract under this solicitation is hereby obligated:

- a. To pay the Subofferor(s) within seven days of the Offeror's receipt of payment from DRPT for the proportionate share of the payment received for work performed by the Subofferor(s) under the contract; or
- b. To notify the agency and the Subofferor(s), in writing, of the Offeror's intention to withhold payment and the reason.

2. The Offeror is obligated to pay the Subofferor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the Offeror that remain unpaid seven days following receipt of payment from DRPT, except for amounts withheld as stated in (b) above. The date of mailing of any payment by U.S. Mail is deemed to be the payment date to the addressee. These provisions apply to each sub-tier Offeror performing under the primary contract. A Offeror's obligation to pay an interest charge to a Subofferor may not be construed to be an obligation of DRPT.

C. Each prime Offeror who wins an award in which provision of a SWAM procurement plan is a condition of award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from Subofferor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

D. DRPT encourages Offerors and Subofferors to accept electronic and credit card payments.

**11. PRECEDENCE OF TERMS:** Paragraphs 1-11 of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

**12. QUALIFICATIONS OF OFFERORS:** DRPT may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services and the Offeror shall furnish to DRPT all such information and data for this purpose as may be requested. DRPT reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. DRPT further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy DRPT that such Offeror is properly qualified to carry out the obligations of the contract and to provide the services contemplated therein.

## Attachment A

### REQUIRED GENERAL TERMS AND CONDITIONS

**13. TESTING AND INSPECTION:** DRPT reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

**14. ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the Offeror in whole or in part without the written consent of DRPT.

**15. CHANGES TO THE CONTRACT:** Changes can be made to the contract in any one of the following ways:

- A. 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.
- B. DRPT may order changes within the general scope of the contract at any time by written notice to Offeror. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment and the place of delivery or installation. The Offeror shall comply with the notice upon receipt. The Offeror shall be compensated for any additional costs incurred as the result of such order and shall give DRPT a credit for any savings. Said compensation shall be determined by one of the following methods:
  1. By mutual agreement between the parties in writing; or
  2. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Offeror accounts for the number of units of work performed, subject to DRPT's right to audit the Offeror's records and/or to determine the correct number of units independently; or
  3. By ordering the Offeror to proceed with the work and to keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Offeror shall present DRPT with all vouchers and records of expenses incurred and savings realized. DRPT shall have the right to audit the records of the Offeror as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to DRPT within 30 days from the date of receipt of the written order from DRPT. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the *Commonwealth of Virginia's Vendors Manual*. Neither the existence of a claim or a dispute resolution process, litigation or any other provision of this contract shall excuse the Offeror from promptly complying with the changes ordered by DRPT with the performance of the contract generally.

## Attachment A

### REQUIRED GENERAL TERMS AND CONDITIONS

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

**17. INSURANCE:** By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. DRPT reserves the right to request a copy of the Certificate of Insurance. The Offeror further certifies that the Offeror and any Subofferors will maintain this insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

#### INSURANCE COVERAGES AND LIMITS REQUIRED:

1. Worker's Compensation: Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Offerors who fail to notify DRPT of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability: \$100,000.
3. Commercial General Liability: \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
4. Automobile Liability - \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.)

## Attachment A

### REQUIRED GENERAL TERMS AND CONDITIONS

**18. ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the DRPT Finance Division will publicly post such notice on the DGS/DPS eVA VBO ([www.eva.virginia.gov](http://www.eva.virginia.gov)) and DRPT's website [www.drpt.virginia.gov](http://www.drpt.virginia.gov) for a minimum of 10 days.

**19. 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 and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Offeror's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Offeror that the Offeror maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each Subofferor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to an Offeror, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

**20. NON-DISCRIMINATION OF OFFERORS:** An Offeror shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

## Attachment A

### REQUIRED GENERAL TERMS AND CONDITIONS

**21. eVA Business-To-Government Vendor Registration:** The eVA Internet electronic procurement solution, web site portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov) streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to DRPT shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All Offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the proposal being rejected.

Effective July 1, 2011, vendor registration and registration-renewal fees have been discontinued. Registration options are as follows:

- a. eVA Basic Vendor Registration Service: eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b. eVA Premium Vendor Registration Service: eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.

Vendor transaction fees are determined by the date the original purchase order is issued and are as follows:

- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1 percent, capped at a maximum of \$500 per order,
- b. For orders issued August 16, 2006 thru June 30, 2011, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Business: 1 percent, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Business: 1 percent capped at \$1500 per order.
- c. For orders issued July 1, 2011 thru June 30, 2013, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Businesses: 0.75 percent, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75 percent, capped at \$1,500 per order.
- d. For orders issued July 1, 2013 and after, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Businesses: 1 percent, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 1 percent, capped at \$1,500 per order.

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

**22. AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

**23. SET-ASIDES:** this solicitation is set-aside for DMBE-certified small business participation only when designated “SET-ASIDE FOR SMALL BUSINESSES” in the solicitation. DMBE-certified small businesses are those businesses that hold current small business certification from the Virginia Department of Minority Business Enterprise. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received the DMBE small business certification. For purposes of award, Offerors shall be deemed small business if and only if they are certified as such by DMBE on the due date for receipt of proposals.

24. **BID PRICE CURRENCY.** Unless stated otherwise in the solicitation, Offerors shall state bid/offer prices in US dollars.

25. **AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH:** A Offeror organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the *Virginia Public Procurement Act* shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

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## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

#### 1. PROPOSED PROCUREMENT SCHEDULE:

Issue Date of RFP	May 30, 2012
Pre-Proposal Conference	June 8, 2012
Deadline for receipt of Proposals	June 22, 2012
Oral Presentations (if required)	Week of July 9, 2012
Negotiations	Week of July 16, 2012
Proposed Contract Award (Dependant upon timing of Oral presentations)	July 30, 2012

**2. CHANGES TO THE RATES ON THE PRICE SCHEDULE:** Rates may be revised by mutual agreement of DRPT and the Offeror 60 days prior to the renewal period starting date. If DRPT elects to exercise the option to revise rates for the two (2) one year renewal periods the contract price(s) for the increase shall not exceed the contract price(s) stated for the third year of the original contract increased/decreased by more than the percentage increase/decrease of the Services Category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available. The Offeror shall convey (in writing) its request to raise/lower prices to the Department no later than 60 days prior to the renewal period starting date. Applications for price increases shall be substantiated in writing with the request. DRPT shall have sole discretion in its decision to allow price increases.

**3. APPROPRIATE LICENSURE, CERTIFICATIONS, AND/OR CREDENTIALS:** Offeror must submit copies of appropriate licensure, certifications, and/or credentials subsequently upon award and as requested by DRPT.

**4. AUDIT:** The Consultant shall retain all books, records, and other documents relative to this contract for five years after final payment. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period. The Consultant shall permit the authorized representative of the DRPT, the U. S. Department of Transportation, and the Comptroller General of the United States to inspect and audit all data and records of the Consultant relating to its performance under this Contract.

**5. ADDITIONAL USERS OF CONTRACT:** It is DRPT's intent, on behalf of the Secretary of Transportation and all agencies/facilities within the Transportation Secretariat (to include Virginia Department of Transportation, Virginia Department of Aviation, Virginia Department of Motor Vehicles, and the Virginia Port Authority), to provide access to DRPT agreements and to provide Offerors with opportunities to do business with these agencies. Additionally, this procurement is being conducted on behalf of grantees of the Department of Rail and Public Transportation who may be added or deleted at anytime during the period of the contract. See Attachment F for the list of grantees. The addition or deletion of authorized users not specifically named in the solicitation shall be made only by written contract modification issued by this agency and upon mutual agreement of the Offeror. Such modification shall name the specific entity added or deleted and the effective date. The Offeror shall not honor an order citing the resulting contract unless the ordering entity has been added by written contract modification.

To that end, and if agreeable with the Offeror, in addition to DRPT, other agencies within the Transportation Secretariat and grantees of DRPT named in Attachment F may have access to any agreement resulting from this solicitation.

## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

**6. ADVERTISEMENT:** In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to DRPT will be used in product literature or advertising without prior written approval from DRPT.

**7. CLAIMS:** The Offeror shall be responsible for all damage and expense to persons or property caused by its negligent activities including, without limitation, those which it chooses to deliver through its Subofferors, agents or employees, in connection with the services required under this Agreement. Further it is expressly understood that the Offeror shall defend and hold harmless the Commonwealth of Virginia, DRPT, its officers, agents, and employees from and against any and all damages, claims, suits, judgments, expenses, actions, and costs of every name and description caused by any negligent act or omission in the performance by the Offeror, including, without limitation, those which it chooses to deliver through its Subofferors, agents or employees, of the services under this Agreement.

**8. CANCELLATION OF CONTRACT:** DRPT reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Offeror. After the initial three-year contract period, the resulting contract may be terminated by either party, without penalty, upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Offeror of the obligation to deliver any outstanding orders issued prior to the effective date of cancellation.

#### **9. OFFEROR'S QUALIFICATIONS/RESPONSIBILITIES:**

- A. Offeror agrees that competent, experienced and qualified staff properly trained and certified for the type of work described in this RFP shall perform all work.
- B. The Offeror shall assign a person as the Offeror's Representative who will have the authority to execute this contract work. The person's name and phone number and an alternate representative's name and phone number shall be provided to DRPT in the Offeror's proposal.

**10. DAMAGES:** It is the Offeror's responsibility to repair any property damage caused in the performance of this contract. Repairs will be made to DRPT's satisfaction.

**11. SPECIAL DISCOUNTS:** (A) During the contract period, if the Offeror offers promotional discounts as a general practice for items available under this contract, with the result that those prices are lower than the prices available under this contract, then the promotional discounts shall be made available to DRPT under this contract. (B) The effective date for price changes/discounts will be the date that the lower prices/discounts were made available to the Offeror's customers generally.

**12. DELAYS IN AWARD:** Delays in award of a contract beyond the anticipated starting date may result in a change in the contract period indicated in the solicitation. If this situation occurs, DRPT reserves the right to award a contract covering the period equal to or less than the initial term indicated in the solicitation.

## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

**13. CONTRACTUAL CLAIMS AND DISPUTES:** Contractual claims arising after final payment shall be governed by § 2.2-4363(A) of the *Code of Virginia*. Claims shall be submitted to the Director of DRPT who will render a decision within 30 days. Contractual disputes arising during the course of performance shall be submitted to the CFO, Finance Division, who will make a decision in 30 working days, which will be final. Vendors will not be precluded from filing a claim at the conclusion of performance as a result of the decision made during the course of contract performance.

**14. PROTEST OF AWARD:** An Offeror wishing to protest an award or a decision to award a contract must submit a written protest to the DRPT Purchasing Division, 600 East Main Street, Suite 2102 Richmond, Virginia 23219, no later than 10 days after public notice of award or announcement of the decision to award whichever occurs first. The public notice will be in the area designated for solicitation/proposal and award notices. The protest must include the basis for the protest and the relief sought. Within 10 days after receipt of the protest the Chief Financial Officer (CFO), Finance Division will issue a written decision stating the reasons for the action taken. This decision is final unless within 10 days after receipt of such decision, the Offeror institutes legal action as provided in the *Code of Virginia*.

**15. ADDITIONAL INFORMATION:** DRPT reserves the right to ask any Offeror to submit information missing from its offer, to clarify its offer, and to submit additional information which DRPT deems desirable, and does not affect quality, quantity, price or delivery.

**16. PROTECTION OF PERSONS AND PROPERTY:**

- A. The Offeror expressly undertakes, both directly and through its Subofferor(s), every precaution at all times for the protection of persons and property which may come on the building site or be affected by the Offeror's operation in connection with the work.
- B. The Offeror shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work.
- C. The provisions of all rules and regulations governing safety as adopted by the Safety Codes Commission of the Commonwealth of Virginia, issued by the Department of Labor and Industry under Title 40.1 of the *Code of Virginia* shall apply to all work under this contract.

## **ATTACHMENT B**

### **SPECIAL TERMS AND CONDITIONS**

- D. The Offeror shall continuously maintain adequate protection of all his work from damage and shall protect the owner's property from injury or loss arising in connection with this contract. He shall make good any such damage, injury, or loss, except such as may be directly due to errors in the contract documents or caused by agents or employees of the owner. He shall adequately protect adjacent property to prevent any damage to it or loss of use and enjoyment by its owners. He shall provide and maintain all passageways, guard fences, lights, and other facilities for protection required by public authority, local conditions, any of the contract documents or erected for the fulfillment of his obligations for the protection of persons and property.
  
- E. In an emergency affecting the safety or life of persons or of the work, or of the adjoining property, the Offeror, without special instruction or authorization from the owner, shall act, at his discretion, to prevent such threatened loss or injury. Also, should he, to prevent threatened loss or injury, be instructed or authorized to act by the owner, he shall so act immediately, without appeal. Any additional compensation or extension of time claimed by the Offeror on account of any emergency work shall be determined as provided by paragraph 15, of the General Terms and Conditions.

**17. SMALL BUSINESS SUBCONTRACTING PLAN:** If the Offeror on the contract is a Department of Minority Business Enterprise (DMBE)-certified small business, the Offeror shall indicate such in Section A of Attachment C. This shall include DMBE-certified women-owned and minority-owned businesses that meet the small business definition and have received the DMBE small-business certification. If the Offeror is not a DMBE certified small business, the Offeror is required to identify the portions of the contract the Offeror plans to subcontract to DMBE-certified small business by completing and returning Section B of Attachment C. If the Offeror is not a DMBE-certified small business and cannot practicably subcontract any portion of the requirements being solicited, in order to be considered responsive to the solicitation, the non DMBE-certified Offeror must document on Attachment C, section C, past efforts made to provide subcontracting opportunities to DMBE-certified small businesses for other contracts within the past 24 months.

**18. SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:**

Each prime Offeror who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a semi-annual basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from Subofferor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the Offeror agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.

## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

**19. INTELLECTUAL PROPERTY RIGHTS:** DRPT shall have exclusive rights to all data and intellectual property generated in the course of the project. (“intellectual property”, which includes all inventions subject to the U. S. Patent System. This shall be inclusive but not limited to, new processes, materials, compounds and chemicals, and all creations subject to the U. S. Copyright Act of 1976, as amended, including but not limited to printed material, software, drawings, blueprints, and compilations such as electronic databases.) Furthermore, DRPT shall have all rights, title, and interest in or to any invention reduced to practice pursuant to a resulting contract. Proposals should recognize the requirements of public sector agencies and of public policy generally, including the Freedom of Information Act, State statutes and agency rules on release of public records, and data confidentiality.

All copyright material created pursuant to this contract shall be considered work made for hire and shall belong exclusively to DRPT. Neither DRPT, nor the Offeror intends that any copyright material created pursuant to the contract, together with any other copyright material with which it may be combined or used, be a “joint work” under the copyright laws. In the case that either in whole or part of any such copyright material not be deemed work made for hire, or is deemed a joint work, then Offeror agrees to assign and does hereby irrevocably assign its copyright interest therein to DRPT. DRPT may reasonably request documents required for the purpose of acknowledging or implementing such assignment.

The Offeror warrants that no individual, other than regular employees and Subofferors of the Offeror or DRPT regular employees, agents, or assigns while working within the scope of their employment or contracted duty, shall participate in the creation of any intellectual property pursuant to the contract. If this situation should arise, such individual and his or her employer, if any, must agree in writing to assign the intellectual property rights, as described herein, for work performed under this contract to DRPT either directly or through the Offeror.

DRPT shall have all rights, title and interest in or to any invention reduced to practice pursuant to this contract. The Offeror shall not patent any invention conceived in the course of performing this contract. The Offeror hereby agrees that, notwithstanding anything else in this contract, in the event of any breach of this contract by DRPT, the remedies of the Offeror shall not include any right to rescind or otherwise revoke or invalidate the provisions of this section. Similarly, no termination of this contract by DRPT shall have the effect of rescinding the provisions of this section.

DRPT is only entitled to the intellectual property rights for deliverables and associated documentation produced by the Offeror for which DRPT has fully paid the Offeror as the contract is completed or as the contract is terminated for any reason.

Copyright or pre-existing work of the Offeror shall remain the property of the Offeror. The Offeror grants to DRPT a perpetual, royalty-free, irrevocable, worldwide, non-exclusive license to use such pre-existing work in connection with exercising the rights of ownership granted to DRPT pursuant to this section.

## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

Notwithstanding anything herein to the contrary, DRPT acknowledges that as part of the Offeror's provision of services hereunder, the Offeror may license third-party software or acquire proprietary works of authorship (collectively referred to as "products"), which have been developed by third parties. DRPT must approve the third-party license agreements and the acquisition of these third-party products prior to their use by the Offeror and DRPT agrees that these products will remain the sole property of the third party.

The Offeror shall grant DRPT license to use all software developed by the Offeror under this contract in other applications within Virginia as DRPT sees fit. Should the Offeror desire to re-use software developed under this contract for other projects (both DRPT contracts and others), DRPT must be notified in writing 60 days prior to such use. Furthermore, DRPT shall be justly compensated for the re-use of such software. Compensation shall be negotiated and agreed upon prior to DRPT releasing software rights. Typically, DRPT prefers increased software capabilities and/or functionality instead of monetary compensation.

**20. MANNER OF CONDUCTING WORK AT JOB SITE:** All work shall be performed according to the standard of industry and to the complete satisfaction of DRPT.

- A. Personnel used by the Offeror for the performance of this work shall be properly trained and qualified for work of this type to the satisfaction of DRPT and shall possess any required licenses, certifications, and qualifications.
- B. The Offeror shall be responsible for the conduct of all personnel while at the job site. All personnel involved with the work shall obey all rules and regulations of DRPT.
- C. Sexual Harassment of any employee, DRPT or Offeror, will not be tolerated and is to be reported immediately to the DRPT Representative.

All work to be conducted by the Offeror in any facility shall be coordinated in advance with the DRPT Project Manager. The Offeror shall coordinate his/her work efforts with (if applicable) other existing Offeror/agency work efforts through the DRPT Project Manager. All Offeror work shall take place on non-holiday weekdays between the hours of 8:00 A.M. and 5:00 P.M, unless otherwise approved by the DRPT Project Manager.

**21. POLICY OF EQUAL EMPLOYMENT:** DRPT is an equal opportunity/affirmative action employer. Women, Minorities, persons with disabilities are encouraged to apply. DRPT encourages all vendors to establish and maintain a policy to ensure equal opportunity employment. To that end, Offerors should submit along with their proposals, their policy of equal employment.

**22. PROPOSAL PRICES:** Proposed hourly rates shall not change for work performed on a weekend, night work, or for any hours worked beyond a normal 40-hour week.

**ATTACHMENT B**

**SPECIAL TERMS AND CONDITIONS**

**23.** DRPT reserves the right to approve any personnel or Subofferors proposed for the work described in this RFP and/or any subsequent contract resulting from this RFP. DRPT will provide written justification to the Offeror when approval is not granted.

**24.** DRPT will provide the Offeror and/or Subofferors with copies of all written approvals.

**25. IDENTIFICATION OF PROPOSAL/PROPOSAL ENVELOPE:** If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal/proposal should be returned in a separate envelope or package, sealed and identified as follows:

From:	6/22/2012	5:00 p.m.
	Name of Offeror	Due Date
		Time
<hr/>		
		505-12-RR0001
	Street or Box Number	IFB No./RFP No.
<hr/>		
	City, State, Zip Code	IFB/RFP Title

Name of Contract/Purchase Officer or Buyer **ASHLEY NUSBAUM.**

The envelope should be addressed as directed on Page 2 of the solicitation. If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, 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 in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

**26. PATENT RIGHTS:** If any invention, improvement or discovery of the consultant or any of its subconsultants is conceived or first actually reduced to practice in the course of or under this Project which invention, improvement or discovery may be patentable under the Patent Laws of the United States of America or any foreign country, the consultant shall immediately notify DRPT and provide a detailed report. The rights and responsibilities of the consultant, his subconsultants and DRPT with respect to such invention will be determined in accordance with applicable Federal laws, regulations, policies, and waivers thereof.

**27. KEY PERSONNEL/SUBOFFERORS:** People identified in terms of this RFP as "key personnel" who will work on the service contract, must continue to work on this contract for its duration so long as they continue to be employed by the consultant unless removed from work on the contract with the consent of the purchasing agency.

**28. PRICING SCHEDULE:** Offerors shall identify all staff positions and rates, for the three potential services under Statement of Needs, and shall indicate such in Attachment D to be fully loaded with all direct and indirect costs, including administrative oversight and approvals.

## ATTACHMENT B

### SPECIAL TERMS AND CONDITIONS

**29. RENEWAL OF CONTRACT:** This contract may be renewed by the DRPT upon written agreement of both parties for **two (2)** successive one-year periods, under the terms of the current contract, and at approximately 60 days prior to the expiration.

**30. REPORT OF ORDERS RECEIVED FROM ADDITIONAL USERS:** The Contractor shall provide the Department of Rail and Public Transportation (DRPT) a quarterly report of orders received from additional users (Attachment G). This report shall reflect orders received from additional users on the contract for the respective quarter. The Contractor must remit the report within 15 days after the end of each quarterly reporting period.

## Attachment C

### SMALL BUSINESS SUBCONTRACTING PLAN

#### Definitions

**Small Business:** "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: DMBE-certified women- and minority-owned businesses shall also be considered small businesses when they have received DMBE small business certification.

**Women-Owned Business:** Women-owned business means a business concern that is at least 51 percent owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

**Minority-Owned Business:** Minority-owned business means a business concern that is at least 51 percent owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

**All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) to participate in the SWAM program. Certification applications are available through DMBE online at [www.dmbv.virginia.gov](http://www.dmbv.virginia.gov) (Customer Service).**

**Offeror Name:** \_\_\_\_\_

**Preparer Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Instructions** (Failure to complete and submit this form may result in your proposal not being considered.)

- A. If you are certified by DMBE as a small business, complete only Section A of this form. This shall include DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not certified by DMBE as a small business and plan to subcontract part of this contract with a DMBE certified business, complete only Section B of this form.
- C. If you are not certified by DMBE as a small business and cannot identify any subcontracting opportunities to subcontract part of this contract with a DMBE-certified business, only provide the information requested in Section C of this form.

**Attachment C**

**SMALL BUSINESS SUBCONTRACTING PLAN**

**Section A**

If your firm is certified by DMBE, are you certified as a (**check only one below**):

\_\_\_\_\_ Small Business

\_\_\_\_\_ Small and Women-owned Business

\_\_\_\_\_ Small and Minority-owned Business

Certification number: \_\_\_\_\_ Certification date: \_\_\_\_\_



## **Attachment C**

### **SMALL BUSINESS SUBCONTRACTING PLAN**

#### **Section C**

Respond to how your business has met or exceeded at least two of the following indicators within the past 24 months. Your response may include any good faith efforts made regarding this procurement.

#### **C. Good Faith Effort Indicators by the Offeror**

1. Identify areas of work your business has subcontracted to DMBE-certified small businesses for other contracts. Include company names, dates, dollar amounts, and percentages on a per contract basis.
2. List research efforts conducted by your business in the past to locate DMBE-certified small businesses by advertising in publications or in the classified section of the newspaper where small businesses are likely to see it. List specific publications and dates.
3. List small business outreach meetings, conferences, or workshops conducted by your firm to locate DMBE-certified small businesses—including the dates, participation numbers, and results.
4. Provide documented correspondence (i.e., certified mail, email, receipt of fax transmissions, etc.) to small businesses from the lists provided by DMBE and other outreach agencies and organizations which indicates your solicitation of such for utilization of subcontracting opportunities on other contracts for which your business has competed.
5. List areas of work which your business has subcontracted with DMBE-certified small businesses for upcoming contracts—including the name of the business, certification number, dates, dollar amounts, and percentages on a per contract basis.
6. Provide documentation of any assistance offered to interested small businesses in obtaining bonds, lines of credit, and/or insurance for any present or past contracts your business has in place.
7. Provide documentation of follow-up on initial contacts with DMBE-certified small businesses (e.g., telephone call logs, emails, certified letters, etc.). Be sure to list the small business name and dates of contact.



**Attachment D (cont'd)**

**Labor Classification Descriptions**

**Contract/Project Manager:** Provides direction and management for small to large projects and ensures on-schedule completion within scope and budget. Responsible for preparing proposals to client's scope of work, management and performance of the project. Plans and defines project goals and devises methods to accomplish them.

**Financial Compliance Analyst:** Ability to plan, monitor and review programs and reports for compliance with state and federal authority. Ability to interpret authority and establish standard procedures for fiscal and accounting operations and review. Prepares, coordinates and maintains comprehensive, complex financial reports and records. Ability to research and analyze complex financial data and convey technical distinctions both orally and in writing.

**Internal Control Analyst:** Performs risk assessments and documentation of business processes using appropriate measurement tools (SWOT analysis, interviews, review of policies and procedures etc.). Develops internal control questionnaires, tests internal controls, documents results and develops an action plan to address any deficiencies noted during assessment.

**Senior Accountant:** Under direction, assembles, analyzes, interprets, prepares and reviews accounting and budget data and related financial statements and reports involving complex financial data.

**Accountant:** Under direction, manages, audits, and maintains accurate financial records and prepares financial statements and tax reports.

**Senior Financial Analyst:** Under direction, performs a variety of professional financial forecasting and analysis work of a specialized or complex nature. Develops and analyzes long-range financial forecasts, capital cost estimates, funding strategies, profitability analysis, and life-cycle cost analysis for railway operations.

**The above descriptions are examples only. The Offeror is encouraged to develop their own classifications with appropriate descriptions to satisfy the Statements of Needs as presented herein.**

\*\*\*\*\*



## ***ATTACHMENT F***

### **Agencies Funded by DRPT**

A Grace Place Adult Care Center  
Accomack Northampton TDC  
Adult Care Service  
Adult Day Care of Martinsville and Henry Counties  
Alexandria Transit  
American Emergency Vehicles  
American Red Cross  
Appalachian Agency for Senior Citizens  
ARC of Greater Prince William  
Arc of the Virginia Peninsula  
Arlington County  
Bay Aging, Inc.  
Bedford County  
Beth Shalom Home  
Blacksburg Transit  
Blue Ridge Opportunity Services  
Bon Secours Senior Health  
Bristol Virginia Transit  
Buchanan County Transportation  
CAPUP  
Central Shenandoah Planning District Commission  
Central Virginia Area Agency on Aging, Inc.  
Chesapeake Service Systems  
Chesterfield Community Services Board  
Chesterfield County  
City of Alexandria  
City of Bristol, Tennessee  
City of Charlottesville  
City of Danville  
City of Fairfax  
City of Falls Church  
City of Fredericksburg  
City of Harrisonburg  
City of Kingsport  
City of Lynchburg  
City of Martinsville  
City of Radford  
City of Richmond  
City of Staunton  
City of Virginia Beach  
City of Williamsburg  
Community Association for Rural Transportation, Inc.  
Community Transportation Association of Virginia  
Crater District Area Agency On Aging /FGP  
Crater Planning District Commission  
Crossroads Community Services  
Cumberland County  
Daily Planet Health Care for Homeless  
Danville City Parks and Recreation Department  
Danville-Pittsylvania Community Services  
Dickenson County Transportation  
Northern Virginia Regional Commission  
PARC Workshop, Inc.  
Peninsula Agency on Aging  
Petersburg Area Transit  
District III Public Transit  
Dulles Area Transportation Association  
Eastern Shore Community Services Board  
ECHO.INC  
ElderHomes Corporation  
ESAAA/CAA  
Essex County  
Fairfax County  
Farmville Area Bus  
Friendship Industries, Inc.  
George Washington Regional Commission  
Giles Health & Family Center  
Gloucester County  
Goochland Fellowship and Family Service  
Goodwill Industries of the Valleys  
Grafton School, Inc.  
Greater Lynchburg Transit Company  
Greater Richmond Transit Company  
Greater Roanoke Transit Company  
Greene County  
Greensville Adult Activity Services  
Hampton Roads Planning District Commission  
Hampton-Newport News Community Services Board  
Hanover Community Services  
Henrico Area MH/MR Services  
Historic Triangle Senior Center  
Hope House Foundation  
Hopewell Redevelopment and Housing Authority  
Intelligent Transportation Society of Virginia  
James City County  
JAUNT, Inc.  
Jewish Community Center of Northern Virginia  
Junction Center for Independent Living  
Lake Country Area Agency on Aging  
Loudoun County  
Lynchburg Community Action Group, Inc.  
Metropolitan Washington Airports Authority  
Metropolitan Washington Council of Governments  
Middle Peninsula Planning District Commission  
Middle Peninsula-Northern Neck CSB  
Montgomery County  
Mount Rogers Community Services Board  
Mountain Empire Older Citizens  
New River Valley Community Services Board  
New River Valley Planning District Commission  
New River Valley Senior Services - Pulaski Area Transit  
Northern Neck Planning District Commission  
Northern Shenandoah Valley Regional Commission  
Northern Virginia Transportation Commission  
Northwestern Community Services Board  
NuRide, Inc.  
Sussex-Greensville-Emporia Adult Activity Services  
Tazewell County  
The Arc of Central Virginia  
The Arc of Greater Prince William

Piedmont Community Services Board	The Arc of Harrisonburg/Rockingham
Pleasant View, Inc.	Thomas Jefferson Planning District Commission
Portco, Inc.	Town of Altavista
Potomac and Rappahannock Transportation Commission	Town of Ashland
Prince William County	Town of Blackstone
Quin Rivers Agency for Community Action, Inc.	Town of Bluefield - Graham Transit
Rappahannock Area Agency on Aging	Town of Chincoteague
Rappahannock Area Community Services Board	Town of Haymarket
Rappahannock-Rapidan Area Agency on Aging	Town of Herndon
Rappahannock-Rapidan Community Services Board	Town of Kenbridge
Rappahannock-Rapidan Planning District Commission	Town of Orange
Resort Area Transportation Management Association	Town of Purcellville
Richmond Area ARC	Town of South Hill
Richmond Community Action Program	Town of Victoria
Richmond Planning District Commission	Town of Warrenton
Richmond Redevelopment and Housing Authority	Town of West Point
Richmond Residential Services	Transportation District Commission of Hampton Road
Ridefinders	Tysons Transportation Association, Inc.
Roanoke County	UHSTS, Inc. - RADAR
Roanoke Valley-Alleghany Regional Commission	Valley Program for Aging Services, Inc.
Rockbridge Area Community Services Board	Vector Industries, Inc.
Rockbridge Area Occupational Center, Inc.	Virginia Port Authority
Rockbridge Area Transportation System, Inc.	Virginia Rail Policy Institute
Rockbridge County	Virginia Regional Transportation Association
Rockingham County	Virginia Transit Association
Russell County Public Transportation	Virginias Region 2000 Local Government Council
Senior Services of Southeastern Virginia	West Piedmont Planning District Commission
Shenandoah Area Agency on Aging, Inc.	Western Tidewater Community Services Board
Shen-Paco Industries, Inc.	Williamsburg Area Transit Authority
Southern Area Agency on Aging	Winchester Transit
Southside Community Services Board	Wise County
St. Joseph's Villa	Washington Metropolitan Area Transit Authority
Stepping Stones, Inc.	Washington Metropolitan Area Transit Commission
STEPS, Inc.	





EXHIBIT B

**Proposal to Provide  
General Financial Consulting Services**

To



Virginia Department of Rail and Public Transportation  
*The Smartest Distance Between Two Points*

June 22, 2012

Joseph Freiburger  
Director  
8300 Greensboro Drive  
Suite 700  
McLean, VA 22102  
703.287.5959  
jfreiburger@scandh.com  
[www.scandh.com](http://www.scandh.com)

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## Request for Proposals

**RFP #** 505-12-RR0001  
**Issue Date:** May 30, 2012  
**Title:** Contract for General Financial Consultant Services-  
Competitive Negotiation for Non-professional Services  
**Commodity Code:** 918-12 Consulting Services  
**Issuing Agency:** Commonwealth of Virginia  
Department of Rail and Public Transportation  
600 East Main Street, Suite 2102  
Richmond, VA 23219  
**Initial Period of Contract:** Three years from date of award  
**Proposals:** June 22, 2012  
**Will be received until:** 5:00p.m. (Close of Business)  
**All Inquiries to:** Ashley Nusbaum  
Financial Compliance and Procurement Analyst  
Phone: (804) 786-2890 FAX (804) 225-3752  
E-Mail: [ashley.nusbaum@drpt.virginia.gov](mailto:ashley.nusbaum@drpt.virginia.gov)

---

ALL PROPOSALS MUST BE MAILED OR HAND DELIVERED TO THE ADDRESS ABOVE

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

**Name and Address of Firm:**

SC&H Group, LLC

June 20, 2012

Company Name

Date

8300 Greensboro Drive Ste 700



Address

Signature in Ink

McLean, VA 22102

Joseph D. Freiburger

City State, Zip

Printed of Typed Name of Above

41-2069731

(703)287-5959

FEI/FIN Number

Phone

[jfreiburger@SCandH.com](mailto:jfreiburger@SCandH.com)

(703)287-5999

E-mail

FAX

\* An Optional Pre-Proposal Conference will be held on June 8, 2012 at 10:00 a.m. in the State Corporation Building located at 1300 E. Main Street, Richmond, 2nd Floor, Courtroom A. See Section VIII for more information.

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Small, Women, and Minority (SWAM) Owned Businesses are encouraged to participate

On behalf of our firm and our team, I am submitting a proposal to provide financial consulting services to the Virginia Department of Rail and Public Transportation (DRPT). We have prepared this proposal to present our qualifications to provide the resources and expertise to perform selected services in collaboration with the DRPT staff.

SC&H is a professional services firm with over 280 professionals in Virginia and Maryland. We began operations in 1991 and we are one of the largest firms in the region. One of our areas of expertise is delivering internal audit services and internal control analyses to organizations within this region.

### *SC&H Differentiators*

Below are a few specific differentiators that separate the SC&H Team from other professional services firms:

- **Government Industry Experience** - SC&H has extensive experience in performing internal audit services to the local and state government sectors. The management team proposed has performed internal audit consulting services for **DRPT**, two Regional Utility providers, a regional governmental authority, and several State agencies. We understand the daily operation in these industry groups and the applicable laws, rules, and regulations.
- The Director, Principals, and Managers identified for this engagement have extensive experience in working directly with local governments, many state agencies, municipal authorities, and federal government agencies:
  - **Virginia Department of Rail & Public Transportation** – Assisted in the implementation of a Document Management System; performed detailed reviews of Grantee reimbursement requests to verify that expenditures were in line with Master Agreements and no unallowable or duplicate costs were reimbursed; developed management practices for managing contracts, created audit programs for examination of rail programs.
  - **Maryland Department of Transportation** – Analyzed revenue streams and supported scenarios for adjusting fees, prepared complete analysis of capital projects, developed procedures related to conducting all financial activity, and developed a policy and procedure manual for the Finance function.
  - **Virginia Department of Veterans Services** – Now serving in its fourth year of documentation, testing and reporting services for the agency relative to ARMICS compliance. All documentation and conclusions relative to internal control operations have satisfied the Commonwealth's requirements pertaining to the ARMICS directive.
  - **Charles County, MD Government** – SC&H is the internal audit service provider for both the county and the school system. Some of the projects completed include a review of Bus Transportation Operations, Food Services, Permits & Inspections, Legal Services, Treasury Operations, and more.
  - Served the Commonwealth of Virginia as State Internal Auditor

- Established internal audit functions by performing risk analyses, developing budgets, creating staffing plans, disseminating policies & procedures, and prioritizing audit efforts
- Led special investigations resulting from reports to the *Governor's Fraud, Waste and Abuse Hotline*; performed reviews at the request of agency heads and the Governor's Cabinet
- Performed an internal control evaluation of the Procurement process for the **Upper Occoquan Service Authority**
- Continue to serve as the internal audit provider for the **Southern Maryland Electric Cooperative**
- **DC Water Authority** – For the past several years, SC&H has been the exclusive provider of internal audit services. Our team has thoroughly examined a wide range of topics including:
  - Fleet Management, Maintenance Services, Billing Operations, Customer Service, Safety Training, Security, Human Capital Management, IT Operations, Permit Operations, Grant Operations, and more
- **Internal Control Assessment Methodology** - SC&H has a structured and proven internal control assessment methodology which includes questionnaires, matrices, flowcharts, and standard narrative documentation. We have led many organizations successfully through this effort – we know where the obstacles are, we understand how to streamline the process, and we will easily tailor the techniques for your projects. The tools will be developed in a manner that can be used in future years, if necessary. Please refer to **Appendix A** for the overview of our methodology.
- **Experience and Professional Certifications** - Our professionals all have direct experience in analyzing controls, managing projects; particularly in large organizations. They always develop suggestions in order to add value to our client operations. They are Certified Public Accountants (CPAs), Certified Internal Auditors (CIAs) and Certified Information Systems Auditors (CISAs) with “Big Four,” and industry compliance experience. SC&H will provide the management guidance and staffing to assist your project team.
- **Information Technology (IT) Auditing Experience** – SC&H understands the importance of IT in the design, implementation, and sustainability of internal controls. All of our IT auditing experts possess “Big Four” IT audit backgrounds and have extensive experience serving clients across an array of industries including the government, and transportation. Our IT auditors have the knowledge and expertise to assist DRPT by conducting numerous technical audits including IT risk assessments, IT internal control reviews, IT infrastructure reviews, and IT application reviews.
- **Project Management Approach** – Our team has experience managing large, complex projects, some of which are conducted simultaneously. We understand how to quickly identify objectives, develop a plan, execute testing effectively, and report on conditions observed. Our projects are completed on-time and within budget. To illustrate, the core team members have been responsible for managing a project with 32 professional team members participating.

- **Grant Auditing** – SC&H has audited grants and contract operations for governmental organizations. For example, SC&H has conducted grantee compliance reviews to ensure the grantee has disbursed the funds in accordance with grant agreements. SC&H has also reviewed agency's grant programs to ensure the agencies are managing the funds in accordance with the Federal or State guidelines. Further, our team has audited organizations for compliance with OMB Circular A-133.

SC&H provides a full range of accounting and consulting services to clients in many industries, including state government, quasi-government, education, utilities, insurance, technology, nonprofit, financial services, healthcare, retail, and telecommunications. We work with organizations of all sizes and offer our clients the expertise of a national firm, together with the advantages of working with a locally managed, independent firm: *responsiveness, accessibility, and cost-effectiveness*.

The contact information for this proposal is as follows:

Joseph Freiburger, Director  
SC&H Group, LLC  
8300 Greensboro Drive, Suite 700  
McLean, VA 22102  
Email: [JFreiburger@SCandH.com](mailto:JFreiburger@SCandH.com)  
Main Phone: (703) 287-5959  
Direct Phone: (703) 287-5989  
Fax: (703) 287-5999

Thank you for your time and consideration of our firm.

Sincerely,

  
\_\_\_\_\_  
Joseph D. Freiburger    06/22/2012  
Director

The SC&H team members included in this proposal understand the financial and business operations that pertain to your environment. A representative listing of government organizations that SC&H staff members have assisted is illustrated below:

<b>SC&amp;H Government Experience</b>	
Baltimore City Community College	U.S. Employment and Training Administration
Baltimore City Prison	U.S. Federal Deposit Insurance Company
Charles County Government	U.S. Federal Emergency Management System
Charles County Public Schools	U.S. National Park Service
DC Water	U.S. Veterans Employment and Training Services
George Mason University	United States Forest Service
James Madison University	United States Geological Survey
Longwood University	University of Mary Washington
Maryland Alcohol & Drug Administration	University of Pennsylvania
Maryland Department of Budget & Management	University of Virginia
Maryland Department of Health & Mental Hygiene	Virginia Commonwealth University
Maryland Department of Motor Vehicles	Virginia Department of Agriculture & Consumer Services
Maryland Motor Vehicles Administration	Virginia Department of Alcoholic Beverage Control
Maryland Port Authority	Virginia Department of Blind & Vision Impaired
Maryland Prepaid College Trust	Virginia Department of Correctional Education
Maryland Retirement Systems	Virginia Department of Corrections
Maryland State Judiciary	Virginia Department of Education
Maryland State Lottery Agency	Virginia Department of Environmental Quality
McDaniel College	Virginia Department of General Services
Military Department of Maryland	Virginia Department of Health
Norfolk State University	
Old Dominion University	Virginia Department of Medical Assistance Services
Southern Maryland Electric Cooperative	Virginia Department of Mental Health, Mental Retardations & Substance Abuse Services
Towson University	Virginia Department of Rail & Public Transportation
Towson University Athletic Department	Virginia Department of Social Services
Upper Occoquan Services Authority	Virginia Department of State Police
U.S. Bureau of Labor & Statistics	Virginia Department of Taxation
U.S. Department of Justice	Virginia Department of Transportation
U.S. Department of Treasury	Virginia Department of Veterans Services
Virginia Community College System	Virginia Military Institute
Virginia Department of the Treasury	Virginia State University
Virginia State Lottery	

**The remaining portions of this proposal coincide with the topics outlined in the RFP.**

*RE: RFP Section IV. Statement of Needs*

***TAB 1 – Understanding of Work and Plan for Providing Services***

SC&H is pleased to present this proposal to provide General Financial Consultant Services to DRPT. We understand that DRPT intends to engage multiple firms to provide consulting services related to the financial aspects of DRPT programs, project, and initiatives, including:

- Internal Control Assessment
- Financial Planning and Analysis
- Other Financial Services

SC&H has extensive experience in performing internal control assessments for organizations of all sizes and reviewing and auditing government grants and contracts. In this regard, we are preparing this proposal to address your internal control assessment; financial planning and analysis; and other financial services needs in full.

***1. Internal Control Assessment***

The objectives of the Internal Control Assessment are:

1. Conduct an agency-level assessment of internal controls for significant financial processes including testing of the effectiveness of agency-level controls.
2. Conduct a process and transaction-level internal control assessment using SWOT analysis and including testing of the transaction-level controls.
3. Develop corrective action plans for weaknesses in fiscal processes.

SC&H's process to evaluate internal controls includes the development of an internal control team comprised of Finance and Information Technology staff. SC&H will be working with the DRPT team to develop a reasonable timeline and assemble necessary information to analyze internal controls and detail the approach for executing the project. SC&H anticipates engaging in continuous discussions with this team to ensure the project is executed effectively and efficiently through each stage of the project. We will ensure that all methodologies and forms are approved by DRPT management prior to distribution. SC&H has direct experience in developing documentation, conducting testing and issuing reports in compliance with the Commonwealth's ARMICS initiative.

SC&H has a proven methodology and templates that are readily adaptable to the DRPT needs. Our processes have complied with Sarbanes-Oxley compliance objectives for public corporations as well as for governmental entities. We are well versed on how to accomplish the documentation, review, design, testing, and reporting on effective internal controls.

**RE: RFP Section IV. Statement of Needs*****1. Internal Control Assessment***

We propose to work closely with your identified team to provide guidance, direction, execution, and assistance to ensure your project is completed accurately and on-time. In doing so, we suggest that an Internal Control Assessment be performed in three stages:

- Agency Level
- Process and Transactional Level
- Corrective Action Plans

**Stage 1 – Agency Level Internal Control Assessment**

SC&H will ensure that complete documentation for the agency-level assessment is completed. A description and evaluation of the design of agency-level controls will include the five components of internal control:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

This framework is patterned after the Committee of Sponsoring Organizations of the Treadway Commission (COSO) methodology and coincides with SC&H's internal control review structure. SC&H will engage in certain preliminary procedures with the project team to ensure successful completion of the project. Those procedures include but are not limited to, the following:

1. Conduct preliminary planning meetings.
2. Develop applicable tools to be used throughout all stages.
3. Develop and implement a training program.
4. Review any existing policies and procedures.
5. Draft an initial scoping and project plan.

SC&H suggests that, in order to achieve success, we work closely with the project team liaison to validate the use of the forms and the project approach. We also suggest referring to previously developed forms and documents. The relevant information will be reviewed and updated to reflect the current situation. Once the process is confirmed with DRPT, the accepted approach will be communicated clearly to all applicable parties and executed throughout the organization.

As an efficiency measure, it has been our experience that some tasks performed to accomplish objectives in one stage can be completed simultaneously with certain tasks in subsequent stages. As we collect information in Stage 1, we will have an eye toward the requirements for Stages 2 and 3 and note appropriate information as we progress.

SC&H strongly recommends that DRPT perform elements of all three stages in conjunction with each other to enhance project efficiency and effectiveness.

**RE: RFP Section IV. Statement of Needs**

**1. Internal Control Assessment**

**SC&H will complete Stage 1 by performing the following tasks:**

1. Prepare and assist DRPT to implement a uniform internal control assessment tool.
2. Review and discuss Agency level internal control assessment results.
3. Evaluate Agency level deficiencies.
4. Assist in developing remediation plans.
5. Coordinate remediation efforts.

**Stage 2 – Process and Transaction-Level Internal Control Assessment**

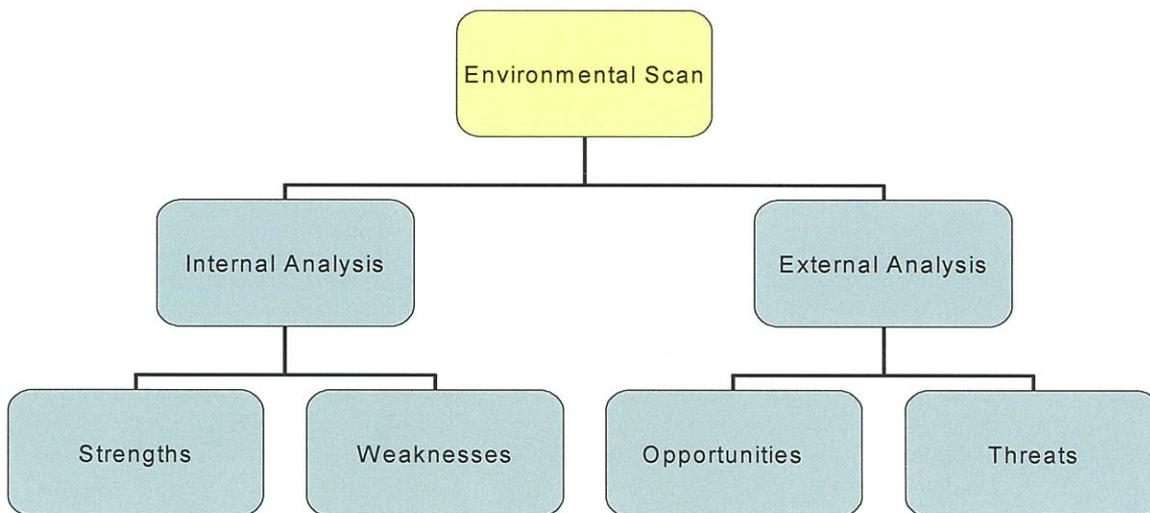
SC&H will ensure that complete documentation for the process and transaction-level assessment is completed.

The project team will accumulate sufficient documentation of the assessment to include:

- A complete description of each significant fiscal process including:
  - A description of the fiscal process with examples of pertinent process documents and may include process flow diagrams to graphically document the steps
  - The policies and procedures governing the process
  - The computer information systems used to support the process
- A risk assessment of each significant fiscal process including:
  - An identification of potential events or conditions that could have an impact on the functioning or outcome of the process utilizing SWOT analysis techniques. ***See example of “SWOT analysis” below.***
  - An assessment of the likelihood of the events and impact of the events on the agency utilizing a “heat map” technique, which is a visual depiction of risk likelihood and impact. ***See example of “heat map” below.***
  - A description of the associated agency risk responses
- An internal control evaluation and control tests including:
  - A description of the control activities in place to accomplish the related control objectives for the business process
  - Documentation of the methods used to test the effectiveness of the fiscal process control activities and the results of those tests

**RE: RFP Section IV. Statement of Needs**  
**1. Internal Control Assessment**

**SWOT Analysis**



**SC&H will complete Stage 2 by performing the following tasks:**

1. Develop process flowcharts for significant financial and IT processes and provide to process owners.
2. Review process flowchart documentation with the process owners.
3. Coordinate and facilitate documentation updates with process owners.
4. Inventory and evaluate all key reports and spreadsheets, if applicable, for each significant financial and IT process.
5. Determine key financial risks for each significant financial and IT process.
6. Evaluate key controls for each significant financial and IT process.
7. Prepare the Risk and Control Matrices for each significant financial and IT process.
8. Develop test of design templates for each significant financial and IT process.
9. Perform test of design with process owners.
10. Review test of design documentation and assist with updating existing documentation as needed.
11. Develop test of effectiveness templates for each significant financial reporting process.
12. Facilitate test of effectiveness with process owners.
13. Review test of effectiveness results with process owners.
14. Prepare control gap log.
15. Prepare opportunities for improvement log.

**RE: RFP Section IV. Statement of Needs**  
**1. Internal Control Assessment**

**Stage 3 - Corrective Action Plans**

There may be “gaps” identified in the control processes. Gaps can be defined as a differentiation between the desired and actual result of a process. For areas that have been identified as internal control gaps in Stages 1 and/or 2 (assuming that there are no compensating controls), SC&H will oversee the construction of a corrective action plan.

The corrective action plan will include at a minimum the following elements:

- a. Summary description of the deficiency in internal control.
- b. When the deficiency was identified.
- c. A target date for the completion of corrective action in consultation with the appropriate personnel.
- d. Indicators or statistics used to gauge resolution progress.
- e. A quantifiable target or qualitative characteristics that will indicate that the deficiency in internal controls has been corrected.
- f. Identification of personnel responsible for monitoring progress.

**SC&H will complete Stage 3 by performing the following tasks in cooperation with the project team:**

1. Evaluate deficiencies.
2. Prepare remediation plans.
3. Coordinate remediation efforts.
4. Track remediation status.
5. Retest key controls as necessary.
6. Review retesting results with management.
7. Prepare the final report.

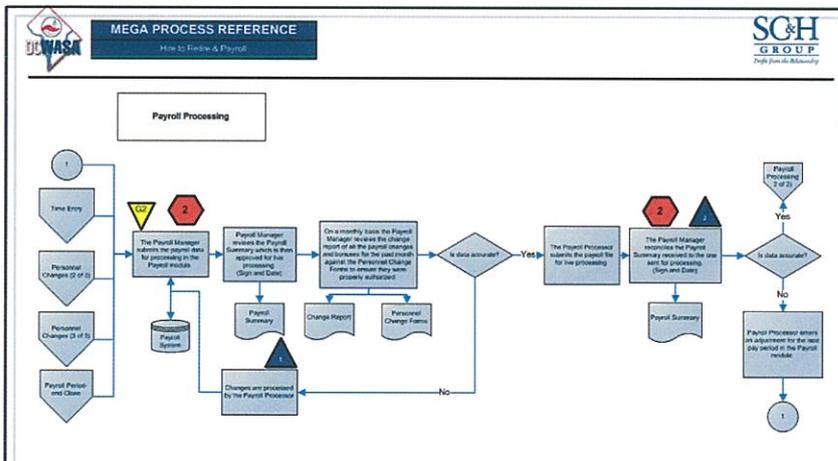
Overall, SC&H will utilize the risk framework established by COSO, as well as our industry experience and insight, to assist DRPT. SC&H can also assist in developing a sustainable implementation roadmap for the development and integration of risk considerations into strategic and operational processes that will enable management to meet its fiduciary responsibilities in managing enterprise risks, if requested.

SC&H, through inquiry, observation, and testing uses a variety of techniques to document and validate the control environment. One of the tools that we use is identified below:

**RE: RFP Section IV. Statement of Needs**  
**1. Internal Control Assessment**

**Sample Work Products**

Shown below is an example of the type of process flowchart SC&H prepares in to identify key controls and indicate where there may be control gaps. DRPT would receive this type of documentation.



The flowchart will highlight both risks and control points within the process. Gaps in internal controls are also highlighted.

Key Personnel:	NAME (POSITION) - Owner
Prepared By:	NAME (POSITION)
Reviewed by:	NAME (POSITION)
Date Approved:	

The flowchart document also summarizes inherent risks and related controls, as well as identified control gaps, as displayed below.

Ref	Risks Description	Ref	Controls Description	Financial Statement Assertions
1	Unauthorized or inaccurate additions/changes are made to the payroll file.	1	PAY01 - All modifications made to an employee's status (e.g. hiring, termination, salary adjustment) are documented via an Employee Status Change Form. The form is reviewed and approved by the CFO as evidenced by his sign-off. The offer letters (new hires) and Termination forms (terminations) are approved and signed by the employee's supervisor and maintained in the personnel files.	E, VA, RO
2	Unauthorized or fraudulent payroll expenses are recorded. Unauthorized or inaccurate additions/changes are made to the payroll file.	2	PAY02 - On a monthly basis, the CFO reviews the final Paychex payroll report to ensure only legitimate employees are paid and the payroll expense is reasonable. Evidence of this review is documented via his sign-off on the report.	E, VA, RO
3	Employee salary or benefits expense are calculated, paid and recorded incorrectly.	3	PAY03 - SAS 70 reports received annually from the third party payroll administrator are reviewed by the CFO for any reported deficiencies or material weaknesses. Review is evidenced by the CFO's sign-off on the document.	C, VA
4	A fictitious disbursement is made The payroll journal is posted to the incorrect period or to an incorrect account A fictitious employee is set-up and/or paid The payroll journal is posted to the incorrect period or to an incorrect account Cash Disbursement is for an amount different than the invoice amount. Cash Disbursement is not recorded correctly in the General Ledger (either duplicate or wrong period) Reconciliation of general ledger to sub ledger is not performed. Bank reconciliations are not performed. Balance sheet values are incorrect An incorrect journal entry is posted A journal entry is posted in the wrong period A duplicate journal entry is made A required journal entry is not made All journal entries are not approved and posted A cash receipt/disbursement is coded in the wrong period A cash disbursement is not recorded An incorrect amount is posted The balance sheet has a material misstatement. The financial statements contain a material misstatement.	4	FSC01- All balance sheet accounts are reconciled by the Bookkeeper on a Quarterly basis to ensure that the details are reasonable and that the totals agree with the general ledger balances. Any unknown or unusual items are investigated. The Quarterly reconciliations are reviewed by the Assistant Controller. Evidence of review and approval is the approved draft Financial Statements.	E, PD, C, RO, VA

*Denotes a Key Control*

MEGA PROCESS REFERENCE	
Hire to Retire & Payroll	
G1	Employee Change of Status forms are not being approved before information is entered into system.
G2	The ADP payroll register is received by the Director of Administrative Services, who is also responsible for submitting payroll to ADP. A second level of review is not being performed on the Payroll Register received from ADP.
G3	Segregation of Duties issue between HR and Payroll. Same employee inputs HR changes as well as enters the payroll. In addition, this employee also distributes pay checks/remittance advices.

**RE: RFP Section IV. Statement of Needs**  
**1. Internal Control Assessment**

Once primary areas are reviewed we develop a Risk and Control Matrix (RCM). This summarizes areas that are key and will readily identify areas in need of improvement. It should be noted that we first comment on whether a proper control system has been designed. If not, we make recommendations on how to improve the system of controls. Once a good design is in place, we test the activity to make sure it is working effectively.

Our control reviews are based on the identification and effective mitigation of risks identified within a process. Another summary tool that we develop is a Heat Map.

**HEAT MAP ILLUSTRATION**

**Risk Heat Map**

**Virginia Department of Rail and Public Transportation**

Processes	Materiality	Liquidity	Susceptibility to Fraud	High Level of Transactions	Variable Risk 1	Variable Risk 2	Variable Risk 3	Variable Risk 4	Variable Risk 5	Variable Risk 6	Variable Risk 7	Variable Risk 8	Variable Risk 9	Variable Risk 10	Variable Risk 11	Risk Score	Risk Rating
Accounts Payable	X		X	X		X	X		X	X	X	X		X			
Accounts Receivable	X	X	X	X		X	X				X	X					
Financial Reporting	X		X				X	X			X	X					
Variable Process 1													X				
Variable Process 2							X	X			X				X		
Variable Process 3	X		X	X		X	X	X	X	X	X	X		X			
Variable Process 4	X		X		X		X	X			X				X		
Variable Process 5	X									X		X	X				
Variable Process 6					X						X						
Variable Process 7			X	X		X					X						
Variable Process 8	X		X			X					X						
Variable Process 9							X	X			X				X		
Variable Process 10	X		X			X	X						X				
Variable Process 11	X	X	X			X	X				X	X		X	X		
Variable Process 12	X	X	X	X		X	X		X	X	X	X		X			

**Risk Ratings:**

High
Moderate
Low

*RE: RFP Section IV. Statement of Needs**2. Financial Planning and Analysis**2. Financial Planning & Analysis*

We understand the objectives for the Financial Planning and Analysis for DRPT are as follows:

- Develop/review financial plans for DRPT or its grantees (Examples include potential passenger rail operations or required financial plans under the Federal Transit Administration New Starts program)
- Conduct operational planning including analysis of operating budgets, and revenue estimates for DRPT grantees
- Develop/review financial forecasts for DRPT and its grantees for both operational and capital needs
- Conduct financial due diligence of the agencies' grantees or project partners
- Review existing agreements/contracts from the financial perspective and develop new agreements that address public benefit measures and contingent interests
- Develop processes for administering various types of projects using grant agreements and contracts. These processes should encompass the administrative, funding, and budgeting aspects, as well as the payment of invoices in accordance with the agreements/contracts and compliance with state and federal guidelines
- Analyze and assist with the development of revenue and cash management practices of DRPT
- Prepare/review cash flow forecasts for DRPT or for certain projects in which DRPT is a funding participant

SC&H has worked directly with **DRPT** over the past several years to conduct reviews and analysis in a number of areas. As SC&H receives a request, we will collaborate on the scope and timing of the reviews with the applicable DRPT personnel.

Examples of projects we have performed for DRPT:

- Audited the Dulles Metro Project on an ongoing basis (expected \$3.2 billion initiative)
- Developed audit programs for rail programs
- Developed audit programs for Transit Operations
- Developed appropriate desk procedures for headquarters operations
- Tested and audited grant operations
- Audited the rail system operations
- Audited all activities performed by the Fiscal Division
- Analyzed and provided guidance relative to the implementation of a Document Management System

**RE: RFP Section IV. Statement of Needs**  
**2. Financial Planning and Analysis**

Other illustrations of similar work performed for outside organizations:

**DC Water – Water Distribution Leakage project**

SC&H gathered benchmarking information and compared the percentage of water leakage (in terms of volume and dollars lost) in comparison to similar utility systems. On an annual basis the percentage of revenue lost was far in excess of comparable organizations. Our computations, which were validated by the organization, indicated that approximately \$8 million in revenue was being lost. Our team suggested a proactive means to reduce the amount of annual loss by an estimated \$4.5 million. The proactive measure would include installation of an early detection process which will allow for the repair of potential leaks in advance of their becoming a major, and costly, problem.

**Maryland Transportation Authority – Consideration of fee increases and potential impact project**

SC&H assisted the agency by preparing a series of revenue scenarios designed to determine the impact on citizens given an increase of proposed fee increases. Our team reviewed data from comparable organizations and prepared schedules that would present the most favorable financial and public interest impact as increased user fees were being considered for highway facilities.

Our team communicates frequently with and interacts on a periodic basis with the CFO to keep her informed of our progress.

SC&H continues to provide audit services under this ongoing contract. Specifically we have:

- Conducted a revenue impact analysis based on various scenarios pertaining to the structure of tolls at various facilities
- Assisted with the development of internal control processes for Capital Assets
- Analyzed revenues for appropriate action for all major asset categories; total assets of \$3.9 Billion (This represents Net capital assets)
- Documented standard operating procedures for all areas within the Finance Division
- Provided recommendations and assisted in the implementation of process improvements and best practices
- Performed a review of the EZ Pass operations including distribution of revenue

The approach that SC&H will use to achieve the objectives of these reviews is more fully described in **Appendix A**.

**RE: RFP Section IV. Statement of Needs**  
**2. Financial Planning and Analysis**

**Charles County – Bus Transportation operations project**

SC&H performed a complete operational analysis of the delivery of transportation services provided to students. Heavy emphasis was placed on the costs incurred in performing these duties in comparison with other counties in Maryland. We examined the development of contracts and the items included in the contracts. In excess of \$23 million is spent each year and the management of that process to include the monitoring of fuel use and fuel cost was examined. Consideration was given to the notion of either operating a fleet or outsourcing the process.

Relevant performance reviews that SC&H has conducted for the **local governments and state agencies** also include:

- Purchasing Operation
- Purchasing Card usage review
- Contract management (Developed process for Program Managers)
- Transit Operational review
- Inventory review
- Document Management System review
- Developed appropriate desk procedures for fiscal headquarters operations
- Review of Grant Management operations
- Governance structure
- Review of overall compliance and regulatory management
- Permit operations
- Fleet management
- Safety operations
- Security operations
- Timekeeping operations
- Metering and Billing operations
- Pension operations
- Treasury function review
- Construction and Capital project review

**RE: RFP Section IV. Statement of Needs**  
**3. Other Financial Services**

**3. Other Financial Services**

SC&H understands the objectives of Other Financial Services are:

- Conduct Financial compliance reviews of DRPT grant or project agreements
- Other work of a nature consistent with the intent of the RFP

SC&H has worked directly with DRPT as they instituted a program to audit all grant recipients working with DRPT. We also understand that there are currently approximately (75) grantees subject to audit within a three-year time span. Because of the differing size of the recipients and the distinction in quality of their internal records, both the length of time necessary to conduct the audit work and the frequency varies. Nevertheless, the SC&H team has conducted reviews from beginning to end on very small grantee operations up to the largest funding recipients.

SC&H, in collaboration with DRPT staff, developed a robust audit program to examine all grant recipients. The audit program is used to focus on the correct grant compliance topics. When SC&H receives an assignment, the audit program is used to guide the staff in the performance of the audit. The audit approach, in general, consists of:

- Review grant/contract and understand the terms
- Notify the grant recipient regarding the intent to audit, request information necessary to complete the audit, and inform recipient of the time period and the scope of the audit
- Issue a request for information and begin the planning process
- Perform the on-site review and testing
- Discuss the results of the audit with the grantee recipients
- Prepare a written report summarizing the scope, exceptions, recommended course of action, and corrective action step timeframe
- Discuss the results with the correct party, and deliver a written report
- Deliver all work papers to the DRPT representative

An illustration of some of the areas for consideration as the audit is performed includes:

- Determination of which activities are allowed or disallowed
- Determination of which costs or cost principles are allowed or disallowed
- Determination of whether the applicable cash management internal controls are adequate and documented
- Review of related program laws, regulations, and provisions of the contract or grant to determine whether the eligibility requirements are being adhered to
- Determination of whether the applicable equipment and real property management internal controls are adequate and documented

**RE: RFP Section IV. Statement of Needs**

***3. Other Financial Services***

- Determination of whether the period of funding availability was adhered to and whether any carryover or unused funds were properly identified
- Determination of whether any other reporting requirements are followed in accordance with the related contract or grant

Regarding the aforementioned compliance areas, SC&H will perform analytical procedures, including documentation and testing, to ensure that all activity has been accounted for correctly, expenses charged to grants have appropriate backup to support such costs, and all eligibility and reporting requirements under the grants have been met.

SC&H has created audit programs, performed test work, documented processes, interacted with management, developed audit comments, and drafted reports. We also created a means of reporting on the achievement of goals to management, and in another instance, assisted the agency in the creation of an automated system to capture important documents for future reference.

The approach that SC&H will use to achieve the objectives of these reviews is more fully described in **Appendix A**.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements # 2.**

***Tab 1 Understanding of Work & Plan for Providing Services***

***Other Administrative Matters for Understanding of Your Needs & Plan for Providing Services***

**Process to follow in response to Purchase Order Requests from DRPT** – Upon receipt of a Purchase Order, SC&H will first review the Purchase Order and communicate our understanding of the work with DRPT’s Management. SC&H will submit a proposal to DRPT outlining the Objective, Scope of Work, Approach, Timeframe, Resources, and Fees. Multiple Purchase Orders will be directly planned and supervised by the Director and Managers assigned to each project to ensure timely compliance on each project.

**Audit Schedule, Meetings & Progress Reporting** – SC&H will prepare and maintain a current audit schedule throughout the assignments. The schedule will provide the current status of all audits, and there will be a periodic review of progress and accomplishments. The schedule will be submitted to DRPT on a timely basis, and a separate meeting will be held to discuss the schedule. During the course of our fieldwork, we will submit progress reports to DRPT and have status report meetings on our progress with DRPT. The status reports will include at least the number of projects in progress, projects completed, issues, problems, or concerns requiring management attention, and a summary of work accomplished during the preceding reporting period. If there are situations that warrant immediate attention, SC&H will fully discuss the circumstances with DRPT as the events occur.

**Project Supervision & Management** –The Manager assigned to this engagement will have the responsibility for reviewing the work performed by the staff and will monitor the day-to-day activities to ensure that all objectives are achieved. SC&H will ensure complete, timely communication with DRPT. SC&H will submit all working papers sufficient to support the results of the work performed and resulting report comments. All work products will be reviewed prior to submission to DRPT.

**Methodology for Managing Proposed Estimates** – Our Directors and Managers will be heavily involved in the planning stage of the engagement, and will participate in the kick-off meeting. This enables our staff and DRPT to be in sync as we launch the assignments. The Directors and Managers will closely review work performed, progress being made, and address any shortcomings. If there are obstacles incurred, we will adjust our internal process and discuss the situation with DRPT. Through this planning process, the onsite supervision of the staff and the status meetings with DRPT, SC&H will be able to maintain control of the engagement and manage the proposed estimation of hours and costs on an ongoing basis.

**SWAM Reporting** – SC&H will complete all required forms demonstrating that we are adhering to DRPT’s SWAM goals. We will track all amounts paid to our SWAM partner and submit the requisite reports in a timely manner.

SC&H is confident that our understanding of governmental organizations, internal control review engagements and our DRPT working relationship will ensure an efficient and effective audit process.

*RE: RFP Section V. Proposal Preparation & Submission Requirements  
General Requirements #2*

***TAB 2 – Experience and Qualifications***

**A. SC&H Group Organization and Structure**

SC&H currently employs approximately 280 employees. This number includes 200 salaried professionals; approximately 33% of these provide Risk Management Consulting Services. The staffing structure consists of a Director, Principal (IT), Senior Manager, Manager, Senior Consultant, and Staff Consultant. The number and staffing mixture will be dictated by the nature of the assignment.

In every case there will be direct Director involvement along with participation by one Manager. The Director will make certain that the right resources will be brought to bear on each project and the timing of work is appropriate and the quality of the final product is outstanding.

The general duties and responsibilities for each level include:

**Director and Principal:** The Director's overall responsibility is for the performance of the assignments. His specific responsibilities will include: scheduling of audit assignments, entrance and exit conferences, staff training and evaluation, research of audit and accounting literature, work paper and report review, and being the primary liaison with DRPT. The Director will also provide Firm leadership and will be ultimately responsible for the entire engagement; ensuring that the proper Firm resources are provided. He will monitor the engagement to help ensure that the approaches employed are best suited for the project objectives, and that overall implementation and delivery of contracted services are of the highest possible quality. The Director may also review all underlying work papers, internal control surveys and evaluations, audit programs, permanent files, engagement memoranda, and will review and sign final auditors' reports. He may periodically be engaged in management meetings to report the status of projects and address any additional needs of the client. The Director will be assisted on selected projects by the Principal.

**Senior Manager and Manager:** The Managers are responsible for the overall supervision of staff, the communication and coordination of meetings with appropriate management members, and designing the project and/or audit approach. They will communicate and update the Director as to the status of the audits and any technical issues that may surface during the course of the engagement. The Managers will review all underlying work papers, internal control surveys and evaluations, audit programs, permanent files, and engagement memoranda, and prepare summary and specific issues memoranda for review by the Director.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

**Senior Consultant:** The Senior will obtain a thorough understanding of generally accepted auditing standards and common audit practices and techniques. The Senior will be performing the day-to-day, detailed test work required to achieve and support the audit objective, including performing statistical sampling, interviewing management to gain an understanding of the client's business, testing internal controls for effectiveness, and performing analytical and substantive procedures as deemed necessary. The Senior will report findings related to non-performance and weaknesses in internal control to the Managers.

**Staff Consultant:** This position will provide general auditing services in conjunction with the Senior Consultant with guidance provided by the Managers. Our MBE/SWAM partner will also be a part of fulfilling this staffing need.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

**B. SC&H Group Key Personnel**

SC&H's experience has helped organizations ranging from start-ups and small-caps to Fortune 500 companies across all major industries including government. Our team of professionals has experience in leading and performing projects similar in nature to those described by DRPT. We will assist DRPT with maximizing the value of the project by focusing on key transactions, systems, processes and controls, and ensuring internal controls are efficient and effective.

***Key SC&H Team Members***

The SC&H team members have been carefully selected based on their knowledge in the disciplines and industries critical to your needs. Specifically, these individuals have demonstrated knowledge of financial operations and internal controls across all major industries, including state government. Our team consists of an engagement Director, Principal, Managers, and the appropriate number of Senior Consultants and Staff Consultants to meet all deadlines.

Our team approach ensures that the projects are properly staffed and that there is adequate supervision at each level. In addition, we understand that due to the long term, open-ended nature of the agreement that will be issued as a result of this RFP, we will not be able to guarantee that all of the individuals identified in this proposal will be available for assignment when a specific purchase order request is issued. However, we believe that we have sufficient personnel with the skills and experience needed to execute these projects. Additionally, it is our intent to maintain consistency among the staff. Our preference is to build and maintain our knowledge base of DRPT operations, which benefits DRPT as we develop our recommendations for change.

We have identified the following professionals to interact with DRPT on selected projects. Additional staff will be assigned as needed.

**Joseph D. Freiburger, CPA, CISA, CIA – Director**

Mr. Freiburger is responsible for delivering risk management services to government and nonprofit entities. He brings more than thirty years of experience in various industries including professional services, government, nonprofit and higher education. He brings solid, deep expertise in the areas of internal audit, risk assessment, Sarbanes-Oxley, and internal control reviews.

Mr. Freiburger has worked directly with DRPT from 2007 to the present. He has interacted directly with the DRPT on a variety of projects. He currently provides internal audit services to several governmental agencies.

Prior to joining SC&H, Mr. Freiburger was with a "Big Four" accounting firm with responsibility for directing internal audit services for nonprofit organizations. He worked closely

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

with a local university in their effort to voluntarily comply with Sarbanes-Oxley control documentation. Mr. Freiburger was the State Internal Auditor for the Commonwealth of Virginia operating the Governors' Fraud, Waste, and Abuse Hotline where he identified \$1.3 million of savings in a three-year period.

During his tenure with the Commonwealth of Virginia, he worked directly with Agency heads to improve systems of internal control and Secretaries on a number of special projects. He frequently interacted with Board members and senior management.

He has been directly involved in working with universities and nonprofit organizations to examine their grant operations. The internal processes were reviewed to make certain that approval and budgetary processes were properly executed early in the grant process, effective accounting processes were set up, proper documentation was retained, and accurate reporting took place relative to reporting back to the donor organization. Emphasis was placed on operational efficiency along with compliance aspects.

Mr. Freiburger has also directed a re-engineering initiative in the accounting division of one of Virginia's largest counties resulting in substantially reduced levels of risk in operations.

He directed an audit team through the review of billing documentation on major contracts for VDOT. The team prepared information necessary to present to selected vendors to support refund requests for the agency.

Mr. Freiburger received his B.S. in Business Administration graduating *Cum Laude* from the University of Richmond and he has a M. S. in Business from the Virginia Commonwealth University. He is a Certified Public Accountant (CPA), a Certified Internal Auditor (CIA), and a Certified Information Systems Auditor (CISA). He is a member of the American Association of Certified Public Accountants (AICPA), the Virginia Society of Certified Public Accountants, the Information Systems Audit and Control Association, and was the Past President of the Institute of Internal Auditors.

**Dennis FitzGerald, CPA, CISA, CIA - Principal**

Mr. FitzGerald is an accomplished professional offering more than 20 years of experience with significant expertise in all aspects of internal audit including the development of operating policies and procedures, risk assessments, and audit plans. In his current position, he performs comprehensive reviews of the operational and internal controls aspects of clients to identify opportunities for cost savings and profit maximization.

He has worked directly with DRPT from 2007 to the present. He has interacted directly with the DRPT on a variety of projects. He currently provides internal audit services to several governmental agencies.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

Prior to joining, SC&H Group, Mr. FitzGerald was the Audit Manager then Acting Audit Director for a regional healthcare group where he developed the annual audit plan, performed risk assessments, and supervised staff on all phases of audit work including the planning, program development, fieldwork, reporting, and follow-up. Mr. FitzGerald also developed the technical skills of audit staff through on the job supervision and training.

Earlier in his career, Mr. FitzGerald was an Audit Officer for a regional bank in the Mid-Atlantic area where he was responsible for the efficiency and effectiveness of departmental operations, the adequacy of internal controls, and verifying compliance with regulatory bodies. He planned audit engagements identifying objectives including time estimates, work plans, and oversaw the audit execution.

Mr. FitzGerald received his Bachelor of Science in Business Administration Finance and Accounting from Towson University. He is a Certified Public Accountant (CPA) and member of the Maryland Association of Certified Public Accountants (MACPA). Mr. FitzGerald is a Certified Internal Auditor (CIA), a Certified Information Systems Auditor (CISA) and is a member of the Information Systems Audit and Control Association (ISACA), the Institute of Internal Auditors (IIA), and the Association of Healthcare Internal Auditors (AHIA).

**Scott Heflin, CISA, CRISC – IT Audit Principal**

Mr. Heflin specializes in Sarbanes-Oxley 404 compliance and his experience includes assisting internal audit teams in preparing for Sarbanes-Oxley 404 reviews conducted by external auditors. Mr. Heflin also has experience in completing year-end Sarbanes-Oxley 404 reviews and certifying and attesting to management's assessment of key internal controls.

Prior to joining SC&H, Mr. Heflin worked for two of the "Big Four" firms. During that time, his accomplishments included assisting the internal audit team at a global organization in preparation for year-end Sarbanes-Oxley 404 review by assessing the internal control environment, developing test plans, and performing extensive Computer Assisted Audit Techniques (CAATs) test work on key controls. Mr. Heflin also served as an external auditor completing year-end Sarbanes-Oxley reviews for various financial institutions and attesting to management's assessment of key internal controls.

Mr. Heflin performed SAS70 reviews for a global human capital consulting firm, where he identified and tested key IT controls, and assisted in developing two SAS 70 reports. He also assisted in an international telecommunication company's extensive re-statement process by analyzing the design of, and re-running various queries to test the veracity of database files and download processes utilized in the re-statement.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

Mr. Heflin's extensive Federal Government experience includes full-scope FISCAM reviews for Department of the Interior (DOI); Bureau of Indian Affairs (BIA); United States Geological Survey (USGS); Department of Agriculture (DOA); Department of Homeland Security (DHS); Federal Emergency Management Agency (FEMA); and Department of Justice (DOJ). Additionally, Mr. Heflin conducted full-scope GISRA reviews for the Department of Labor (DOL) that included OMB A-123 reviews and JFMIP compliance for multiple DOL systems.

Mr. Heflin attended James Madison University, where he received a B.B.A in Computer Information Systems. He is a member of the Golden Key National Honor Society, National Society of Collegiate Scholars, and was on the Dean's List. Mr. Heflin is a Certified Information Systems Auditor (CISA), holds a SECRET Security Clearance, and is a member of both ISACA and Information Technology Professionals.

**Christopher Patrick – Senior Manager**

Mr. Patrick provides internal audit, risk management and compliance services to clients in various industries including accounting and financial services clients ranging in size from small-cap to Fortune 500. Mr. Patrick has extensive experience with all aspects of internal audit services and Sarbanes-Oxley compliance including process mapping, documenting key financial processes, conducting client interviews and performing tests of control design and effectiveness

He has worked directly with DRPT from 2007 to the present. He has been instrumental in conducting reviews of various transit organizations. He has interacted directly with the DRPT on a variety of projects. He currently provides internal audit services to several governmental agencies.

Currently, Mr. Patrick assists clients by managing, developing, and executing Internal Audit plans and implementing and executing Sarbanes-Oxley initiatives. He evaluates the design of business processes identifying opportunities to improve internal controls and makes practical recommendations to remediate control deficiencies. He also oversees the test of design and effectiveness and assists in deficiency remediation.

Prior to joining SC&H, Mr. Patrick was an Internal Audit Senior at a regional national investment bank and securities broker. His responsibilities included managing audit staff and consultants on a variety of audits and other special projects. He extensively examined business processes to identify possible risks or inefficiencies and developed and presented audit recommendations to management. He worked closely with management to develop audit reports for presentation to the Audit Committee.

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**General Requirements #2**

Mr. Patrick's internal controls experience also includes providing internal audit and Sarbanes-Oxley advisory services as a consultant for an international consulting firm. He worked closely with client personnel to document business processes and subsequently develop and test internal controls.

Mr. Patrick received his B.S. in Accounting and Finance from Ferrum College and he is a member of the Institute of Internal Auditors (IIA).

**Rebecca Jordan, CPA – Manager**

Ms. Jordan has more than 7 years of experience in both external and internal auditing. She also brings exceptional knowledge of audit procedures; from the beginning planning stage to the documentation of recommendations and continuous follow-up with management to ensure effective implementation.

She has worked directly with DRPT has been very active in conducting reviews of various transit organizations. She has interacted directly with the DRPT on a several projects. She currently provides internal audit services to several governmental agencies.

In her current position, Ms. Jordan helps clients with their internal audit effort and entity-wide risk assessment by reviewing selected areas and providing suggestions relative to issues pertaining to operations and compliance, as well as financial controls. These examinations are designed to assist management and focus on ways to mitigate business risk. She also works closely with client process owners of Fortune 500 companies to accurately document processes, evaluate control design, and test key controls to comply with Sarbanes-Oxley Section 404 requirements. Further, she assists clients to focus on areas of true risk to reduce the number of key controls and communicates findings and recommendations directly with clients' executive management and Audit Committees.

Prior to joining SC&H, Ms. Jordan began her career in Rochester, NY in the Accounting & Auditing department of a regional CPA, firm. She progressed to the role of Audit Senior where she was responsible for managing audit engagements, including preparation of financial statements and tax returns, and documenting and communicating management letter comments to management of clients. From there she went on to Paychex, a fortune 500 company with over \$2 billion in annual revenues where she eventually became the Manager of the Internal Audit department. She was responsible for developing, directing, and overseeing the annual audit plan, entity-wide risk assessment process, Sarbanes-Oxley testing procedures, and the annual external audit. She was also responsible for the execution of the both operational and financial audits as well as special projects to provide value-added solutions through audit recommendations that drive process improvements and led multiple fraud investigations and resolution efforts.

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**General Requirements #2**

Ms. Jordan earned a B.S. degree in Accounting at Rochester Institute of Technology. She is a Certified Public Accountant and is a member of Northern Virginia Chapter of the Institute of Internal Auditors (IIA).

**Anthony DiGiulian, CISA - IT Audit Manager**

Mr. DiGiulian is an IT Audit Manager with more than 7 years of IT auditing experience serving clients in the financial services and investment management industries. He has performed IT audits and consulting, systems implementations, business process analyses, ERP implementations, risk assessments, and compliance audits.

Prior to joining SC&H, Mr. DiGiulian worked for a “Big Four” firm. During that time, his accomplishments include developing business flow and key systems diagrams, mapping key controls to applications, performed walkthroughs related to application security and SOX compliance. He also designed and performed Segregation of Duties reviews for ERP systems and financial accounting applications.

In his current position, Mr. DiGiulian performs SSAE16 (formerly SAS 70 Type I and Type II) audit testing of IT general controls and IT application controls where he identified and tested key IT controls, and assisted in developing multiple SSAE16 reports. He assists in designing and implementing baseline IT processes and controls and provides end-to-end project management for clients to ensure compliance with SOX requirements.

Mr. DiGiulian received a B.S. in Accounting, with a minor in Computer Information Systems from Elon University in Elon, North Carolina. He is a Certified Information Systems Auditor (CISA).

**Matthew G. Simons, CPA - Manager**

Mr. Simons has more than 7 years of accounting and consulting experience. His consulting experience includes Internal Audit/accounting direct assistance projects, Sarbanes-Oxley (SOX) compliance initiatives, SAS 70 compliance, contract compliance, accounts payable reviews, and monitoring projects.

He has worked directly with DRPT in conducting reviews of various transit organizations. He currently provides internal audit services to several SC&H clients.

Mr. Simons works closely with his staff and clients to ensure efficient and effective tactics are utilized and project objectives are achieved. He executes SOX compliance initiatives by performing risk assessments, documenting and testing key financial processes, coordinating control deficiency remediation, and directly communicating with client’s management and their external auditors. Mr. Simons recently spent significant time on a multi-year restatement of a national financial services organization. Specifically, he reviewed and analyzed transactions for

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bonds, loans, and tax credit properties. He worked on several direct assist projects with the external auditors and reported results and potential improvements to upper management.

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Mr. Simons has assisted companies in various industries including financial services, technology, manufacturing, and utility. His analytical and research skills have led to opportunities that have provided increased compliance and operational efficiencies, cost savings, and cash refunds.

Mr. Simons is a *Magna Cum Laude* graduate of Towson University, with a B.S. in Accounting and he is a Certified Public Accountant licensed in Maryland. He is also a member of the Maryland Association of Certified Public Accountants (MACPA) and a member of the Institute of Internal Auditors (IIA).

**Calvin Rice, CPA, CIA - Senior**

Mr. Rice is a Senior Consultant in SC&H's Risk Management practice. He continues to gain strong organizational and leadership skills and is an efficient, dedicated, and energetic professional with a strong sense of commitment. Mr. Rice has experience in financial reporting, strategic and financial planning, project management, system conversions, and process improvement.

He has worked directly with DRPT in conducting reviews of various transit organizations. He currently provides internal audit services to several governmental agencies.

Prior to joining SC&H he was Accounting and Finance Coordinator with Moodlerooms Inc. where he assisted the auditors in pulling information to prepare the annual financial statements and assisted in the preparation of Excel spreadsheets for day to day procedures, revenue recognition, and month end closings. He worked closely in conjunction with the Controller to provide accurate financial reports as well as future forecasts.

Mr. Rice received a B.S. in Accounting from Towson University. He is a Certified Public Accountant licensed in Maryland.

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**Anne Simpson, MBA - Senior**

Ms. Simpson is a result-oriented professional experienced in investment banking, capital markets, investment funds, and fixed income securities. She is analytical and detail-oriented with the ability to establish audit objective and scope work, to critically assess risks in the control environment, and to take responsibility for the overall execution of an audit project.

In her current position, Ms. Simpson works with clients in all aspects of Sarbanes-Oxley Compliance, Internal Controls and Risk Consulting, and Internal Audit Services. She efficiently evaluates process design to identify control gaps and makes recommendations on suggested controls to remediate deficiencies. In addition, she performs tests of design/effectiveness, and makes accurate recommendations on deficiency remediation.

Prior to joining SC&H, Ms. Simpson worked for the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) as a program analyst in the audit division. As an analyst, she developed and executed multiple audit plans that ensured compliance with program rules outlined in the Public-Private Investment Program Limited Partnership Agreement. Ms. Simpson also analyzed trading activities of eight fund manager to identify prohibited trading schemes, material non compliance, and conflicts of interest. Prior to SIGTARP, Ms. Simpson worked for an investment bank as an internal auditor, where she developed and executed various operational audits.

Ms. Simpson graduated from Emory University with a double major in International Studies and Music Performance. She is expected to receive her MBA from the University of Maryland University College in a few weeks. She is also a member of the Institute of Internal Auditors (IIA).

**Mike Zink - Senior**

Mr. Zink has professional experience in complex audit areas from his work on many national and international public clients. He has also gained experience on the private side by being responsible for all day-to-day operations while serving as a Chief Financial Officer. Mr. Zink applies the knowledge gained from past experiences to help improve clients' processes and controls from his current engagements.

Currently Mr. Zink performs Internal Audits and SOX compliance initiatives by performing risk assessments, documenting and testing key financial processes, coordinating control deficiency remediation, and directly communicating with client's management and their external auditors.

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Prior to joining SC&H, Mr. Zink worked as the Chief Financial Officer for M. P. Zink Construction, Inc. where he was able to utilize much of his knowledge and expertise gained at PricewaterhouseCoopers LLC He has direct experience in managing construction projects and prepared reports for government agencies.

Mr. Zink graduated from Bucknell University with his B.S. in Business Administration with a concentration in Accounting.

**MBE/SWAM Partners:**

Our **SWAM Partners, Reed & Associates, CPAs Inc.** will be utilized as Staff positions for this contract. Their bios are below and full resumes may be found in **Attachment B**.

**Gregory A. Beckmann** – Mr. Beckman has worked with SC&H at DRPT performing Compliance Reviews for Rail and Public Transportation Grants.

**George V. Hollinsworth** – has more than 20 years of professional accounting experience and has performed internal control audits, developed business and system function requirements, and performed SAS 70 Type I & II audits.

**Kelly S. Hunter** – has worked with SC&&H at DRPT performing compliance reviews of public transportation entities within the Commonwealth, aided with vehicle inventory counts and reviewed and tested grant funding to state recipients.

**Chrispin Stewart** – Has strong skills in working with government entities performing tests of effectiveness and tests of design; performing walkthroughs and preparing working papers.

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**C. SC&H Group References**

Indicated below is a listing of recent references for whom we have provided services. There were no subcontractors involved in any of these engagements.

<b>Client</b>	<b>Project</b>	<b>Address</b>	<b>Person to Contact &amp; Phone Number</b>	<b>Amount of Project</b>
DC Water Authority	Full Internal Audit Services	500 Overlook Ave., SW Washington, DC 20032	Christopher Carew Chief of Staff (202) 787-2655	\$ 832,000 Annually
Charles County Government	Full Internal Audit Services	200 Baltimore Street La Plata, MD 20646	Dr. Rebecca Bridgett County Administrator (301) 934-0553	\$ 130,000 Annually
Maryland Department of Transportation	Internal Control Consulting	2300 Broening Highway Baltimore MD 21224	Ms. Deb Sharpless CFO (410) 537-1093	\$ 1.25M Over 3 years
Southern Maryland Electric Cooperative	Full Internal Audit Services	15035 Burnt Store Road Hughesville, MD 20637	Sonja Cox CFO (301) 274-4328	\$150,000 Annually

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***TAB 3 – ATTACHMENT C – Small Business Contracting Plan Section***

**Attachment C**

**SMALL BUSINESS SUBCONTRACTING PLAN**

**Definitions**

**Small Business:** "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: DMBE-certified women- and minority-owned businesses shall also be considered small businesses when they have received DMBE small business certification.

**Women-Owned Business:** Women-owned business means a business concern that is at least 51 percent owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

**Minority-Owned Business:** Minority-owned business means a business concern that is at least 51 percent owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

**All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) to participate in the SWAM program. Certification applications are available through DMBE online at [www.dmbv.virginia.gov](http://www.dmbv.virginia.gov) (Customer Service).**

**Offeror Name:** SC&H Group, LLC

**Preparer Name:** Joseph Freiburger **Date:** June 20, 2012

**Instructions** (Failure to complete and submit this form may result in your proposal not being considered.)

- A. If you are certified by DMBE as a small business, complete only Section A of this form. This shall include DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not certified by DMBE as a small business and plan to subcontract part of this contract with a DMBE certified business, complete only Section B of this form.
- C. If you are not certified by DMBE as a small business and cannot identify any subcontracting opportunities to subcontract part of this contract with a DMBE-certified business, only provide the information requested in Section C of this form.

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**TAB 3 – ATTACHMENT C – Small Business Contracting Plan Section**

**Attachment C**

**SMALL BUSINESS SUBCONTRACTING PLAN**

**Section B**

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall include DMBE-certified women-owned and minority-owned businesses that meet the small business definition and have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, Subofferors, suppliers, etc.

**B. Plans for Utilization of DMBE-Certified Small Businesses for this Procurement**

<b>Small Business Name &amp; Address  DMBE Certificate #</b>	<b>Status if Small Business is also: Women (W), Minority (M)</b>	<b>Contact Person, Telephone &amp; Email</b>	<b>Type of Goods and/or Services</b>	<b>Planned Contract Involvement</b>	<b>Planned Annual Contract Dollar Expenditure Amount</b>
Reed & Associates, CPAs, Inc. 8700 Centreville Rd, Ste 203 Manassas, VA 20110  Certificate# 663508	W	Deirdre Reed (703) 369-5351 DReed@Reedassociates.org	CPA Services, Accounting/Auditing	utilize Staff as required to meet the 25% contract requirement	To be determined based on contract award
<b>Totals \$</b>					TBD

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***TAB 4 – Contact Person***

The primary Offeror must identify the name, telephone number, and e-mail address for the contact person who will be responsible for coordinating the efforts and personnel of all parties and/or sub-Consultants involved in the proposal.

The contact person for this project will be:

**Mr. Joseph Freiburger**  
**Director**  
**8300 Greensboro Drive Suite 700**  
**McLean, VA 22102**  
**Phone: (703) 287-5989**  
**Email : [jfreiburger@SCandH.com](mailto:jfreiburger@SCandH.com)**

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***TAB 5 – Attachment D – Price Schedule***

***Staffing & Pricing Plan***

Please refer to **TAB 2** (page 21) for a listing of all staff positions. The hourly rates for the three (3) potential services describe in the Statement of Needs appear below.

**Internal Controls Price Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$180.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Staff Accountant					\$110.00

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***TAB 5 – Attachment D – Price Schedule***

***Staffing & Pricing Plan (cont'd)***

**Financial Planning and Analysis Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$180.00
IT Manager					\$180.00
Senior Accountant					\$150.00
Staff Accountant					\$120.00

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***TAB 5 – Attachment D – Price Schedule***

***Staffing & Pricing Plan (cont'd)***

**Other Financial Services Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$180.00
IT Manager					\$180.00
Senior Accountant					\$130.00
Staff Accountant					\$110.00

Reimbursement for travel (mileage, meals or lodging) is not allowed, unless approved in writing, in advance, as part of an approved Task Order. In those cases where travel allowance is authorized, travel reimbursement shall be in accordance with the Commonwealth's Travel Guidelines in effect at the time of travel. The Travel Guidelines can be found at:  
[http://www.doa.virginia.gov/Admin\\_Services/CAPP/CAPP\\_Topics/20335\\_1206.pdf](http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_1206.pdf)

**Note:** Non-salary direct costs will be paid based on actual costs incurred, documented with proper receipts, subject to State Regulation and Prior Approval of DRPT.

## ***Appendix A- SC&H Methodology for the Delivery of Internal Audit Projects***

### **Methodology for the Delivery of Internal Audit Projects**

SC&H's Internal Audit practice conducts its internal audit work in accordance with the Institute of Internal Auditors (IIA) Professional Practice of Internal Auditing. Our methodology has incorporated the IIA *Standards* and we have adopted the IIA Code of Ethics. While the scope and objectives for each audit varies, the following describes in general terms, how we approach each individual audit.

We begin each audit with an extensive planning process, which includes gathering background information, including policies & procedures, identifying the risk(s) associated with the area under review, and finalizing the audit scope and objectives with DRPT's management team. Once the audit is effectively planned, we then commence fieldwork which includes identifying and documenting applicable processes and controls, performing analytical reviews, and evaluating the effectiveness of existing controls through detailed testing. Preliminary findings are communicated to process owners throughout the audit process to ensure our recommendations are valid and meaningful.

A written report is always developed and distributed to the appropriate parties as the audit process is concluded. The importance of effectively communicating the scope, results, and recommendations resulting from an internal audit is given the utmost attention.

To ensure we are achieving the objectives of DRPT, SC&H will prepare periodic status reports to include an indication of progress toward meeting the approved plan, highlights of significant issues, upcoming events, and any other notable topics. These status reports will be discussed with DRPT's management on a regular basis. We propose submitting these reports quarterly or monthly, whichever is more practical for management. Periodic meetings will also occur with the Audit Committee members.

While the scope and objectives for each audit varies, the following describes in general terms, how we approach each individual audit.

#### **STEP 1: Planning**

- Gather background information (e.g., policies and procedures, systems used, contracts)
- Identify risk areas
- Finalize audit objectives and scope – SC&H will refine the audit scope and objectives and co-develop expectations with DRPT's management to ensure the audit is appropriately focused
- Identify resource needs – The team's experience and individual skill sets will be considered when identifying and allocating resources to ensure the audit is both effective and efficient
- Project management and monitoring – SC&H will use project management techniques and applicable metrics to keep projects progressing and to identify a means of adjusting the course of action

**STEP 2: Performance of Fieldwork**

- Identify applicable processes and controls
- Perform analytical reviews
- Use observation, inquiry, inspection and testing; evaluate controls and processes
- Utilize automated tools and techniques where required – SC&H uses efficient IT tools and techniques to make certain that an effective internal audit process is completed
- Document work performed and conclusions – Preliminary findings will be communicated to process owners throughout the audit process to confirm our understanding of potential issues identified

**STEP 3: Reporting**

- Discuss results of work with the appropriate parties
- Develop and deliver written report – A written report is always developed and distributed to the appropriate parties as the audit process is concluded. The importance of effectively communicating the scope, results, and recommendations resulting from an internal audit is given the utmost attention
- Final internal audit reports will include at a minimum, the following sections:
  - Executive summary
  - Background information
  - Observations and recommendations
  - Management action plan and proposed completion dates
  - Appendices with supplemental information, where required

**STEP 4: Ongoing Communication & Follow-up Activity**

- Prepare a formal schedule to monitor the status of correcting previously reported control deficiencies
- Perform inquiry and observation to identify progress made relative to management's action plans
- Report the status of corrective action plans
- Communicate continuously throughout the audit process to ensure that all related audit matters are clearly understood by both the audit team and management

**Internal Audit Plan Development**

SC&H will work with DRPT to create a flexible Internal Audit plan, based largely upon the results of the risk assessment, which will be executed throughout each year. The Internal Audit plan, while based on risk matters and professional judgment, remains a dynamic document. It is a very useful tool to provide direction to the internal audit effort, but flexibility will be maintained to sufficiently address critical DRPT needs as they arise.

- **Audit Scope** - The nature of the work to be performed as each area is identified for audit may vary. The internal audit service that we provide and the plans developed take into account the following topics:
- **Compliance Audits** - Includes a review of the systems established to ensure compliance with internal policies and procedures, applicable standards, contractual obligations, laws, and regulations and a determination as to whether the organization's personnel are in compliance.
  - **Financial Audits** - Includes a review of the accuracy, reliability, and timeliness of financial information; and of internal controls over financial reporting, benchmarking analyses, and safeguarding of assets.
  - **Operational and Performance Audits** - Includes an evaluation of the efficiency and effectiveness of operations, including an assessment of the operational controls designed to achieve DRPT's business objectives. Performance audits identify the effectiveness of selected programs relative to their ability to achieve identified goals and outcomes.

Most areas identified as operations to be audited consist of a blend of these three subjects. Some audit areas would focus almost exclusively on one of these subject matters. Our experience suggests that most consist of a combination, but the combination must be identified on a case-by-case basis.

### ***Information Technology (IT)***

In most organizations, the IT operations and its related control environment warrant audit attention. IT Audits should include both operational and technical reviews. Operational reviews are conducted to evaluate the effective and efficient use of technology. Technical reviews focus on the system or the processing environment to assess the adequacy of functionality and controls. Some audit processes are very technical in nature, but most internal audits conducted include some Information Technology control subjects.

As an illustration, an audit of a financial area will almost always encompass a review of the individuals that have access to the applicable processing systems, the information being used, the capability of the users, and the appropriate level of authority.

SC&H has a very strong IT Audit group with direct experience in conducting a number of IT audit projects addressing topics such as IT security, change controls, disaster recovery, application controls, and computer operations. They have also been instrumental in assisting clients in the development of effective IT policies and operational issues.

### **IT General Control Reviews**

SC&H will review the IT general controls in existence for critical financial and operational applications. We will focus on change management and access controls at the application level. At the infrastructure level, SC&H will review vendor and industry best practices for securing

your IT infrastructure and then we modify these to fit your IT environment. SC&H will examine the following six IT general control areas when reviewing critical applications:

- **Application Change Management:** Determine whether software maintenance change controls and Systems Development Life Cycle (SDLC) controls provide reasonable assurance that application software changes are authorized, tested, approved, and documented
- **Application Access and Security:** Determine whether controls provide reasonable assurance that application access is restricted to authorized individuals
- **Database Access and Security:** Determine whether controls provide reasonable assurance that database access (SQL Server, Oracle, Sybase, DB2, etc.) is restricted to authorized individuals
- **Operating System Access and Security:** Determine whether controls provide reasonable assurance that operating system access (Windows, UNIX, Linux, AS/400, OS/390, etc.) is restricted to authorized individuals
- **Network Security:** Determine whether controls exist for Network System Security (e.g., firewalls, routers, and switches), Virus Protection, and Remote Access
- **Computer Operations:** Determine whether controls exist for Backup and Recovery, Physical Access to the Computer Room, Job Scheduling, Problem Management (Help Desk), and Business Continuity and IT Disaster Recovery

Although not reviewed as part of a general controls review listed below are examples of audit procedures which SC&H can conduct in the area of information security.

### **IT Security Reviews**

A formal security program defines the strategy for meeting the requirements defined by the state and other governing bodies. SC&H audit procedures specific to information security programs are as follows:

#### **Security Governance**

- Determine whether the organization has developed and implemented a formal security strategy and framework for controls that addresses necessary requirements
- Perform a baseline comparison of the IT Security Program with industry standards
- Where appropriate, determine whether effective risk management has been implemented into the security program that supports identification of significant risk to the organization's operating environment

**Security Program Management**

- Determine whether regular monitoring and review of effectiveness of the security program (e.g., self assessments) is in place and performed
- Determine whether technical vulnerability management has been implemented as a component of the security program to reduce the risks from exploitation of known vulnerabilities
- Perform independent vulnerability assessments on sample of servers and/or networks to verify compliance with policy and ensure significant risks are properly mitigated through appropriate countermeasure and controls

**Incident Management and Response**

- Determine whether a security incident management program or process is in place to ensure information security events and weaknesses associated with information systems are communicated in a manner allowing timely corrective action to be taken and meet the state requirements for incident reporting and coordination
- Perform testing for a sample of security incidents to ensure a consistent and effective approach is applied to the management of information security incidents

*Appendix B- SC&H & SWAM Resumes for DRPT*

## Joseph D. Freiburger, CPA, CIA, CISA

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### Professional Profile

Mr. Freiburger has more than twenty years of experience in bringing value to organizations by identifying ways to reduce costs and enhance revenue. He leads, coaches, and mentors professionals working in teams to achieve established goals, and has successfully guided organizations in the development of effective governance, risk, and control initiatives. He has extensive experience managing internal audit operations and developing teams to address internal audit operations and system evaluation initiatives. Some of the areas Mr. Freiburger has directed, controlled, and monitored include completing risk assessments and developing internal audit strategies and plans based on existing conditions. He has strong organizational skills and the ability to plan projects and execute complex programs.

Mr. Freiburger possesses intimate knowledge of various industries including, but not limited to: Nonprofit, Hospitality, Education, Government, Retail, and Financial Services. Particular areas of emphasis have been: Governance, General Accounting and Finance, Internal Audit, Sarbanes-Oxley, IT Audit, Risk Management and Human Resources. Mr. Freiburger was named as a *SmartCPA* in 2007 and 2008 by *Smart CEO Magazine*.

### Synopsis of Experience

#### **Director, SC&H Consulting, McLean, VA**

December 2006 - Present [www.scandh.com](http://www.scandh.com)

- Coordinates internal audit services delivered to clients to complete risk assessments, plan development, augmenting staff, and complete quality assurance reviews
- Oversees the firm's efforts with regard to delivering service to various clients regarding SOX compliance. Emphasis is placed on properly establishing the scope, minimizing documentation and testing along with providing suggestions relative to remediation of control gaps
- Oversees effort with regard to developing the approach and executing special projects usually centered on the streamlining of operational and control issues
- Assists clients in the assessment of the internal control environment to include an evaluation and suggestions for change relative to Corporate Governance
- Leads Quality Assurance Review teams

#### **Director, Internal Audit Services, Protiviti, Vienna, VA**

January 2003 – December 2006

- Lead service provider for several outsourced internal audit clients
- Provided internal audit services to clients such as a large international nonprofit as well as for a large university. Emphasis was placed on suggestions regarding the efficient design and effective execution of internal control systems
- Led project teams through SOX documentation, testing and reporting
- Delivered presentations to professional organizations; developed brochures, training presentation and website material used by the firm nationwide

**Controller, Director of Internal Audit, The Colonial Williamsburg Foundation,  
Williamsburg, VA**

March 1999 – December 2002

- Controller for the organization with more than \$1 billion in assets and \$200 million in revenues with oversight of 50 staff members in all aspect of accounting operations
- Addressed control issues and reduced the volume of auditor management letter comments by more than 80%
- Instituted an organization-wide risk assessment process used to develop a three-year business plan and staffing analysis

**Director of Internal Audit Services, Deloitte & Touche, Richmond, VA**

January 1997- February 1999

- Responsible for directing and marketing regional internal audit services including day-to-day operations
- Led a re-engineering initiative in the accounting division of one of Virginia's largest counties resulting in substantially reduced levels of risk in operations
- Spearheaded a regional project for a national corporation to suggest improved control measures regarding accounts receivable, accounts payable, and general ledger accounting operations

**State Internal Auditor; Internal Audit Director, Commonwealth of Virginia, Department  
of the State Internal Auditor**

March 1987 - December 1996

- Administered a department and managed professional staff, planned and directed a statewide audit effort consisting of 37 diverse agencies with a staff of over 200 individuals
- Coordinated project teams in the completion of risk assessments, budget and plan development, establishment of effective policies and delivered presentations to Board members
- Operated the Governor's Fraud, Waste and Abuse Hotline, identifying \$1.3 million of savings in a three-year period
- Led a team of professional auditors in performing quality assurance reviews in a number of agency and university audit departments

**Education**

Virginia Commonwealth University, Richmond, VA

M.S. in Business

University of Richmond, Richmond, VA

B.S. Business Administration (Finance)

*Cum Laude*

**Professional Memberships**

Member of the American Institute of Certified Public Accountants (AICPA)

Member of the Virginia Society of Certified Public Accountants

Past Chapter President of the Institute of Internal Auditors

Member of the Information Systems Audit and Control Association (ISACA)

## Dennis Fitzgerald, CPA, CIA, CISA, CRMA

### Professional Profile

Mr. FitzGerald is an accomplished professional offering more than 15 years of experience with significant expertise in all aspects of internal audit including the development of operating policies and procedures, risk assessments, and audit plans. He has extensive knowledge and experience in all area of internal audit including operational, financial, and compliance reviews. Mr. FitzGerald also has strong knowledge of IIA Standards, Generally Accepted Accounting Practices (GAAP), Generally Accepted Auditing Standards (GAAS), and Generally Accepted Government Auditing Standards (GAGAS).

Mr. FitzGerald possesses intimate knowledge of various industries including, but not limited to: Nonprofit, Healthcare, Government, and Financial Services. Particular areas of emphasis have been: Governance, General Accounting and Finance, Internal Audit, Sarbanes-Oxley, and IT Audit.

### Synopsis of Experience

#### **Principal, SC&H Consulting, Sparks, MD**

February 2008 – Present [www.scandh.com](http://www.scandh.com)

- Coordinates internal audit services delivered to clients to complete risk assessments, plan development, augmenting staff, and complete quality assurance reviews
- Manages SOX and Internal Audit Consulting projects for industries, including mortgage, utilities, banking, real estate, government and not for profit, and healthcare.
- Coordinates service to various clients regarding SOX compliance. Emphasis is placed on properly establishing the scope, minimizing documentation and testing along with providing suggestions relative to remediation of control gaps
- Works closely with Audit Committees to communicate project results, provide periodic updates, and aid in their oversight of corporate governance

#### **Audit Manager, Acting Audit Director, MedStar Health, Nottingham, MD**

October 2005 – February 2008

- Developed the annual audit plan, risk assessment, resource requirements, and maintenance of manuals, programs, and policies and procedures in coordination with the Vice President, Internal Audit
- Supervised assigned staff on all phases of audit work including audit planning, program development, field work, reporting, and follow up
- Developed the technical skills of audit staff through on the job supervision and training, and provided recommendations for formal external education and training
- Managed the MedStar Financial Management Compliance Hotline
- Provided reporting requirements for the Audit and Compliance Committee

#### **Senior Auditor, MedStar Health, Nottingham, MD**

September 1999 - October 2005

- Implemented the first Internal Audit Department for MedStar entities in the Baltimore region in coordination with Internal Audit Manager
- Performed financial, operational, and information technology audits and evaluated the adequacy of financial and operational controls
- Drafted written reports that identified and defined issues as well as provided recommendations for improvements of internal control design and operating effectiveness based on the COSO and COBIT frameworks
- Conducted special projects at the request of Senior Management

#### **Audit Officer, Allfirst Bank, Baltimore, MD**

July 1997 - September 1999

- Performed financial, operational, and compliance audits to identify and evaluate key business controls to assist management in meeting business and regulatory objective
- Led audit team to ensure audits were properly planned, executed and completed within the established timelines
- Trained audit staff and seniors

#### **Senior Auditor, Allfirst Bank, Baltimore, MD**

February 1995 - July 1997

- Conducted audit assignments reviewing the efficiency and effectiveness of departmental operations, the adequacy of internal controls, and verifying compliance with regulatory and contractual requirements
- Established audit objectives and developed audit program, including time estimates, work plan, and steps necessary to collect data and document findings
- Developed audit findings and summaries, conducted entrance and exit meetings, edited preliminary drafts, and coordinated the preparation of the final audit report

#### **Tax Examiner, Internal Revenue Service, Owings Mills, MD**

September 1991 - February 1995

- Conducted research, interviews, investigations, and financial statement analysis on business and individual cases to resolve delinquent or fraudulent returns
- Provided advice to individual and business taxpayers on the filing of returns and tax depositing requirements
- Aided in determining if organizations met the requirements for tax exempt status in accordance with the Internal Revenue Code

#### **Education**

Towson University, Towson, MD

B.S., Business Administration Finance/Accounting - 1991

#### **Professional Memberships**

Baltimore Chapters of the Institute of Internal Auditors (IIA)

Information Systems Audit and Control Association (ISACA)

Association of Healthcare Internal Auditors (AHIA)

Maryland Association of Certified Public Accountants (MACPA)

## C. Scott Heflin, CISA, CRISC

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### Professional Profile

Mr. Heflin is a proven information technology (IT) audit professional with over 10 years of IT audit and advisory experience. He has performed information technology reviews for SC&H Consulting and two of the Big Four accounting firms in the following compliance and audit areas: Sarbanes-Oxley 404, FISCAM, GISRA, FISMA, OMB A-130, WebTrust, SAS 70, and SSAE 16. He is a Certified Information Systems Auditor (CISA) who focuses on leading co-sourced and out-sourced internal audit projects that include IT risk assessments, IT internal controls reviews, IT infrastructure reviews, and IT application reviews. Mr. Heflin is also certified in Risk and Information Systems Controls (CRISC) and has extensive experience working in numerous industries including, but not limited to, Federal Government Agencies, Non-Profit Organizations, Financial Services, Retail, Manufacturing, Biotechnology, Public Transportation, Utilities, and Communications.

### Technical Experience

- **ERP:** SAP, JDE, Oracle Financials, PeopleSoft, Great Plains, Lawson, Solomon, Deltek GCS Premier, and Deltek Costpoint
- **DBMS:** DB2, Oracle, SQL Server, and Sybase
- **Operating Systems:** UNIX, Windows, OS/390, and OS/400
- **Audit Software:** ACL and IDEA
- **Languages:** SQL, C, C++, and COBOL

### Synopsis of Experience

#### **IT Audit Principal, SC&H Consulting, McLean, VA**

October 2011 – Present [www.scandh.com](http://www.scandh.com)

- Oversees the Firm's IT Audit services
- Assists with the development and delivery of IT audit methodologies and project plans
- Coordinates service to various clients and provides guidance and support to Staff/Seniors/Managers on Internal Audit and Risk Management engagements
- Communicates project results to client management teams and Audit Committees

#### **IT Audit Manager, then Senior Manager, SC&H Consulting, McLean, VA**

June 2005 – October 2011

Managed Co-Sourced and Outsourced Internal Audit Projects

- Provided end-to-end project management to identify key IT and business risks and to recommend practical solutions to mitigate those risks
- Directed the execution of internal IT audit plans for existing clients, and oversaw the development of test plans, timelines, and deliverables for each project
- Performed operational audits to identify cost savings and revenue opportunities
- Prepared and presented reports and deliverables to client management including Audit Committees

#### Managed Sarbanes-Oxley 404 Assistance Projects

- Provided end-to-end project management for clients to ensure compliance with Sarbanes-Oxley 404 requirements
- Performed walkthroughs, testing, and remediation for IT entity-level controls, IT general controls, and IT application controls
- Assisted in designing and implementing baseline IT processes and controls with a focus on streamlining IT control processes, reducing the number of key controls, and improving the efficiency of controls testing

#### Managed SAS 70 Readiness Reviews and SAS 70 Type I and Type II Audits

- Designed and led the audit testing of key IT processes, controls, and applications
- Prepared and presented SAS 70 Type I and Type II audit reports to client management

#### **IT Audit Senior, KPMG, Washington, DC**

September 2001 - June 2005

- Managed and led engagement teams for KPMG external financial audits, SAS 70 reviews, Internal Audit projects, Sarbanes-Oxley 404 attestation reviews, FISCAM reviews, and GISRA reviews. Industry experience for these projects included financial services, telecommunications, automotive, non-profit, and Federal government
- Served as the team lead for various North Eastern KPMG IT audit teams that performed the IT testing to support KPMG's external audits and Sarbanes-Oxley 404 attestation work at numerous financial institutions. Assisted the North East KPMG Information Risk Management group in designing and tailoring the Sarbanes-Oxley testing methodologies
- Led an Internal Audit co-sourcing project at one of KPMG's largest financial services clients. Developed test plans and performed extensive Computer Assisted Audit Techniques (CAATs) test work on key controls to ensure testing and remediation of controls satisfied both the PCAOB and external auditor requirements
- Managed and led the engagement team responsible for completing a SAS 70 review for a global consulting corporation. Identified and tested key IT controls, as well as assisted in the overall development of SAS 70 reports relating to the general control and application control environments
- Assisted in the management of the IT audit team responsible for supporting one of the biggest financial restatements in history (MCI WorldCom). Analyzed the design of and re-ran various queries to test the veracity of MCI WorldCom's Access (SQL), Excel, Hyperion, SAP/Essbase, and DB2 database files and download processes that were utilized in the extensive restatement process
- Documented an understanding, and performed specific tests of Subaru of America's Oracle based financial package. Reviewed the current status of a legacy system replacement project and produced numerous detailed system maps and data flow charts for the Internal Audit group
- Assisted in the refresher AICPA WebTrust attestation of the American Red Cross online donation system by conducting tests to assess business practices and disclosures, transaction integrity, and information protection controls
- Assessed the IT controls that were established in support of the American Red Cross Liberty Fund following the September 11<sup>th</sup> attacks, which included testing all third party vendors that were collecting online donations, testing controls surrounding the database which contained confidential donor information, and aiding in the individual Red Cross chapter website reviews dealing with online security

**Federal Government Experience:**

- Performed an in-depth review of the Department of Transportation's (DOT) information security program to ensure compliance with FISMA and supporting standards
- Performed full-scope FISCAM reviews including all six sections of General Controls and extensive Application Control reviews for the following agencies:
  - Department of Interior (DOI) - National Park Service (NPS), Bureau of Indian Affairs (BIA), and United States Geological Survey (USGS)
  - Department of Agriculture (DOA) - United States Forest Service (USFS)
  - Department of Homeland Security (DHS) – Federal Emergency Management Agency (FEMA)
  - Department of Justice (DOJ) – Offices, Boards, and Divisions (OBD), Working Capital Fund (WCF)
- Performed full-scope GISRA reviews for the Department of Labor (DOL) that included OMB A-130 reviews and JFMIP compliance for multiple DOL systems. The scope of the review covered the following Bureaus:
  - Veterans Employment and Training Services (VETS)
  - Bureau of Labor and Statistics (BLS)
  - Employment and Training Administration (ETA)
- Designed and conducted tests, and provided guidance for further development of a distributed, MS Access interim database solution utilized by the Federal Deposit Insurance Company (FDIC) to form a central repository for approximately 2500 bank examiners in the field

**Education**

James Madison University, Harrisonburg, VA  
B.B.A., Computer Information Systems

**Certifications**

Certified Information Systems Auditor (CISA)  
Certified in Risk and Information Systems Control (CRISC)

**Professional Memberships**

Member of the Information Systems Audit and Control Association (ISACA)  
Member of the Institute of Internal Auditors (IIA)

## Chris Patrick, Senior Manager

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### Professional Profile

Mr. Patrick provides governance, risk and control consulting services to clients in various industries. He has experience in providing internal audit risk assessments, consulting, and Sarbanes-Oxley compliance services to clients ranging in size from small-cap to Fortune 500. Most recently, he has conducted audits for the Virginia Department of Rail & Public Transportation to determine compliance with grant covenants. Prior to joining SC&H, Mr. Patrick performed operational activities including serving in an internal audit capacity within the Financial Services industry group.

### Synopsis of Experience

#### Senior Manager, SC&H Consulting, McLean, VA

March 2008 – Present [www.scandh.com](http://www.scandh.com)

- Performs internal controls review, testing, recognizing weaknesses and identifying areas for improvement
- Assists clients to accurately scope and plan their Sarbanes-Oxley initiatives
- Leads several teams as they evaluate the design of controls and testing of controls in accordance with outside regulations. Efforts include a review of “Entity-level” controls with an emphasis on Corporate Governance.
- Leads internal audit teams as audits are planned, field work is conducted and draft reports are prepared
- Supervises the assigned team, interacts with the group subject to audit and focuses on delivering meaningful suggestions
- Evaluates process design to identify control gaps and makes recommendations to improve controls
- Performs test of design/effectiveness and assists in deficiency remediation

#### Institutional Equity Sales Trader, FBR Capital Markets (FBR), Arlington, VA

September 2005 - February 2008

- Gained an in-depth understanding of the stock market, order execution, and capital commitment
- Assisted in maintaining a good working relationship with top-tier institutional clients
- Generated orders using unique strategies
- Managed the execution of complex transactions

#### Internal Audit Senior II

- Managed audit staff and consultants on a variety of audits and projects to include:
  - Institutional Sales and Trading
  - Fixed Income Trading
  - High Net Worth Retail Brokerage
  - Derivatives
  - Mortgage Backed Securities
  - Loan Securitization

- Residential Mortgage Originations
- Mortgage Servicer Review
- Travel & Entertainment expenses,
- Accounts Payable and Payroll
- Extensively examined business processes to identify risks and inefficiencies
- Developed and presented audit recommendations to management and worked closely with management to produce final reports to be presented to the Audit Committee

**Consultant II, Protiviti Inc., Vienna, VA**

November 2004 - September 2005

- Served as an integral part of the SOX effort at client firm, FBR (subsequent employer)
- Responsible for working with client personnel to document business processes and subsequently develop and test internal controls
- Spearheaded the re-constituted internal audit effort at FBR. Involved significantly in developing the planning, implementation, testing, and reporting processes

**Staff Accountant Tobin & Collins, C.P.A, P.A., Hackensack, NJ**

January 2003 - November 2004

- Prepared tax returns for individuals, partnerships, and corporations
- Responded to tax notices and other various inquiries received by clients
- Prepared quarterly compilations and reviews
- Worked closely with Beacon Valuation Advisors using forensic accounting methods to perform analysis, which was used in matrimonial litigation, for business valuation, and for partnership/shareholder disputes

**Education**

Ferrum College, Ferrum, Virginia  
B.S., Accounting

**Professional Memberships**

Member of the Institute of Internal Auditors

**Certifications**

Series 7 and 63 FINRA

## Rebecca Jordan, CPA

### Professional Profile

Ms. Jordan is a Manager in SC&H's Consulting practice with more than six years of relevant experience. She has worked with diverse clients in various industries, including Financial Services, Employee Benefit Plans, Construction, Wholesale Distribution, and Manufacturing. Most recently, her experience has related to risk management engagements, where she has led teams performing risk assessments and documentation and improvement of business processes. Throughout these engagements, Ms. Jordan has managed quality assurance, deficiency remediation process, and team resources. In addition to risk based engagements, Ms. Jordan also has experience in compliance and standardization reviews, fraud investigations, and sales compensation plan audits.

### Synopsis of Experience

#### **Manager, SC&H Consulting, McLean, VA**

August 2011 - Present [www.scandh.com](http://www.scandh.com)

- Works closely with client process owners of Fortune 500 companies to accurately document processes, evaluate control design, and test key controls to comply with Sarbanes-Oxley Section 404 requirements
- Assists clients to implement Auditing Standard 5 guidance in order to focus on areas of true risk and reduce the number of key controls
- Communicates directly with clients' executive management and Audit Committees
- Develops audit plans and timelines for risk management engagements
- Perform Internal Audit Co-Sourcing consisting of Operational, Financial and Remediation testing

#### **Manager, Internal Audit - Paychex, Inc., Rochester, NY**

July 2009- August 2011

- Responsible for developing, directing, and overseeing the annual audit plan, entity-wide risk assessment process, Sarbanes-Oxley testing procedures and the annual external audit
- Also responsible for the execution of both the operational and financial audits as well as special projects to provide value-added solutions through audit recommendations that drive process improvements
- Composition of final audit reports and executive summaries to report on the findings and monitor management's response and implementation of audit recommendations

#### **Senior, Internal Audit - Paychex, Inc., Rochester, NY**

October 2007- July 2009

- Coordinated financial statement audit and 401(k) audit with external auditors
- Planned and performed financial, operational and compliance audits at the Company's branches and wholly owned subsidiaries
- Lead the payroll specialist productivity project which included a cost savings analysis and recommendation for efficiency improvements

**Senior, Audit & Assurance - Davie Kaplan, CPA, P.C., Rochester, NY**

November 2004 - October 2007

- Managed audit engagements, including preparation of financial statements and tax returns, documented and communicated management letter comments to management of several clients to present a value-added aspect of services provided
- Obtained significant experience in rental real estate, distribution, manufacturing, employee benefit plans construction clients
- Ran pension and 401 (k) audits, including supervision and evaluation of up to three staff

**Education**

Rochester Institute of Technology, Rochester, NY

B.S., Accounting

**Certification**

Certified Public Accountant - NYS

**Professional Memberships**

The Institute of Internal Auditors (IIA); Northern Virginia Chapter

## Anthony DiGiulian, CISA

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### Professional Profile

Mr. DiGiulian has 6 years of Information Technology (IT) audit and assurance experience. He has performed financial, operational and information technology reviews for SC&H and Big Four accounting firms in industries including financial services, investment management, real estate, and professional services. He is a Certified Information Systems Auditor (CISA) and has performed IT internal audits, control reviews, systems implementations, business process analyses, ERP implementations, SOD reviews, SSAE 16, and ISAE 3402 reviews, ITGC audits, risk assessments and compliance audits.

### Technical Experience

- **ERP:** Hyperion Financial Management, PeopleSoft, SAP
- **DBMS:** SQL Server, Oracle, MS Access
- **Operating Systems:** UNIX, Windows AD
- **Audit Software:** ACL

### Synopsis of Experience

#### **Manager, SC&H Consulting, McLean, VA**

September 2011- Present [www.scandh.com](http://www.scandh.com)

- Supervises Co-Sourced and Outsourced Internal Audit Projects
- Leads internal audit projects including IT risk assessments, IT internal controls reviews, IT infrastructure reviews, IT application reviews, and system implementation reviews
- Performs walkthroughs, testing, and remediation for IT entity-level controls, IT general controls, and IT application controls
- Designs and performs IT internal audit plans and leads in the development of test plans, timelines, and deliverables for each project
- Prepares and presents reports and deliverables to client management
- Assists in designing and implementing baseline IT processes and controls

#### **IT Audit Senior**

October 2009 – August 2011

Supervises Co-Sourced and Outsourced Internal Audit Projects

- Leads internal audit projects including IT risk assessments, IT internal controls reviews, IT infrastructure reviews, IT application reviews, and system implementation reviews
- Performs walkthroughs, testing, and remediation for IT entity-level controls, IT general controls, and IT application controls
- Designs and performs IT internal audit plans and leads in the development of test plans, timelines, and deliverables for each project
- Prepares and presents reports and deliverables to client management
- Assists in designing and implementing baseline IT processes and controls

#### Supervises Sarbanes-Oxley 404 projects

- Provides end-to-end project management for clients to ensure compliance with Sarbanes-Oxley 404 requirements
- Performs system implementation and process reviews for custom built and vendor provided customer applications
- Streamlines IT control processes, reducing the number of key controls, and improving the efficiency controls testing
- Supervises SAS 70/SSAE 16 readiness reviews and SAS 70/SSAE 16 Type I and Type II audits
- Conducts in-depth Readiness Assessments to determine key controls to be tested.
- Performs the SAS 70/SSAE 16 Type I and Type II audit testing of IT general controls and IT application controls

#### **Systems and Process Assurance Experienced Associate, PricewaterhouseCoopers, Baltimore, MD**

January 2007 – September 2009

- Proficient expertise in business process controls and ERP systems, specifically Hyperion Financial Management and PeopleSoft as well as investment process control reviews including front office and transaction processing environments
- Complete evaluation and testing for ITGC's at the database, network, active directory, and operating system levels including change management, computer operations, access, and project development
- Experienced with developing business flow and key system diagrams mapping business controls to key applications
- Led and documented walkthroughs related to business process controls, application security, and SOX 404 compliance
- Developed key control analysis and project scoping for business process, information technology, and application specific controls
- Designed and performed Segregation of Duties reviews for ERP systems and financial accounting applications
- Created and implemented strategic test plans aimed to obtain sufficient comfort over system implementation/upgrade
- Conducted system development life cycle testing for in-house application implementations and 3rd party provided applications
- Completed IT Audit training programs including Unix, Windows, Controls in a Database Environment, Auditing and Understanding Investment Management, Auditing Hyperion Financial Management, and Auditing Peoplesoft HRMS, and Peoplesoft Financials
- Involved concurrently with one of the largest asset management companies in the northeast region of the United States and one of the largest financial service clients in the southeast region

#### **Assurance Associate, PricewaterhouseCoopers, Baltimore, MD**

2005 – 2007

- Worked closely with client process owners to accurately document processes, evaluate control design, and test key controls to comply with Sarbanes-Oxley Section 404 requirements

- Evaluated process design to identify control gaps and suggested controls to remediate deficiencies
- Performed year end and quarterly audits for multiple clients

**Education**

Elon University, Elon, North Carolina  
B.S., Accounting  
Minor in Computer information Systems  
Member of Beta Alpha Psi founding class

**Certification**

Certified Information Systems Auditor (CISA)

## Matthew G. Simons, CPA

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### Professional Profile

Mr. Simons is a diligent and detailed oriented professional with more than eight years of hands-on accounting, internal controls, and internal auditing consulting experience. He is a Certified Public Accountant (CPA) whose experience includes Sarbanes-Oxley (SOX) and SAS 70 compliance, Internal Audit assistance, contract compliance, and accounts payable review and monitoring. He has assisted on a variety of projects for Fortune 500 clients.

### Technical Competencies

- Microsoft Office Suite Products
- ACL

### Synopsis of Experience

#### Manager, SC&H Consulting, Sparks, MD

October 2007 - Present [www.scandh.com](http://www.scandh.com)

- Performs SOX 404 risk scoping exercises to evaluate client's key financial accounts and risk coverage
- Prepares narratives and SOX workpapers, performs process walkthroughs, and tests key controls for significant business processes
- Engages in multiple aspects of risk based operational audits, including client communication and updates, project planning, fieldwork testing, and reporting documentation
- Develops and recommends remediation activities for identified control and operational deficiencies.
- Performs engagement management activities and provides regular reports to the client's management
- Coordinates SOX and Internal Audit project efforts directly with the client
- Supervises staff in order to exceed client deliverable expectations
- Assists in the implementation of the Firm's SOX methodology development
- Provided direct assistance for various Internal Audit/accounting projects for a financial services client involved in a multi-year restatement

#### Senior Consultant, SC&H Consulting, Sparks, MD

October 2005 - September 2007

Sarbanes Oxley 404 compliance consulting responsibilities:

- Identified key controls affecting significant processes
- Assessed adequacy of coverage of relevant financial assertions
- Assessed design and effectiveness of identified key controls through walkthroughs and testing procedures
- Formulated and implemented remediation of control deficiencies
- Participated in SC&H SOX 404 employee trainings
- Performed spreadsheet control evaluations and employee trainings at a large client

**SAS 70 compliance responsibilities:**

- Developed a standardized structure of reporting and testing materials
- Documented in detail key financial processes through client interviews
- Performed control tests and assisted in the remediation of control deficiencies

**Contract audit responsibilities:**

- Performed compliance reviews for large companies
- Tested financial and non-financial terms and conditions for vendors selected by the client

**Intern/Staff/In Charge Consultant, SC&H Consulting, Sparks, MD**

September 2003 - September 2005

- Responsible for importing and tracking transaction files containing weekly data feeds into ACL for clients
- Performed validity analyses on data and run specified exception reports
- Performed process interviews to gain an understanding of client's procure-to-pay area
- Reviewed client transaction files for financial leakage including duplicate and erroneous payments and overpayments
- Developed recommendations to correct financial leakage
- Communicated directly with client regarding project status
- Worked with the audit team to perform an effective audit engagement
- Reported directly to audit managers to ensure the most effective and efficient services are provided to client

**Education**

Towson University, Towson, MD

B.S., Accounting

*Magna Cum Laude*

**Professional Organizations**

Member of the Maryland Association of Certified Public Accountants (MACPA)

Member: The American Institute of Certified Public Accountants (AICPA)

Member of the Institute of Internal Auditors (IIA)

## Calvin Rice, CPA, CIA

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### Professional Profile

Mr. Rice is a Senior Consultant in SC&H's Risk Management Practice Group. He is utilizing his accounting experience to provide Sarbanes-Oxley 404, risk management and internal audit services to clients. Mr. Rice has strong team-working abilities and he is a highly motivated, outcome-oriented professional. He has experience in financial reporting, strategic and financial planning, project management, system conversions, and process improvement. He is a Certified Public Accountant licensed in the Commonwealth of Virginia as well as a Certified Internal Auditor licensed in the State of Maryland.

### Synopsis of Experience

#### Staff then Senior, SC&H Consulting, McLean, VA

June 2011 - Present [www.scandh.com](http://www.scandh.com)

- Provides clients with internal audit outsourcing and co-sourcing services
- Plan, execute and complete internal audits and business process control reviews
- Reviews operational, financial, and information technology (IT) processes to provide clients with an independent assessment of business risk, internal control, and the overall effectiveness and efficiency of the process as well as the risks associated with Sarbanes-Oxley as it pertains to internal controls
- Maintains a strong client focus by effectively serving client needs and developing productive working relationships with client personnel
- Stays abreast of new accounting pronouncements/standards, current business and economic developments and/or other guidance relevant to the client's business.

#### Accounting & Finance Coordinator, Moodlerooms Inc., Baltimore, MD

September 2009- May 2011

- Implemented improved collection techniques as well as more efficient reporting methods
- Assisted in strengthening communication between sales and billing department
- Interacted daily, with clients
- Modify day to day procedures and financial reporting to meet GAAP standards
- Developed revenue recognition methodology for the company and managed the process

#### Education

Towson University, Towson, MD  
B.S., Accounting

#### Professional Memberships

Beta Gamma Sigma- International Honor Society  
MACPA – Maryland Association of Certified Public Accountants  
VSCPA – Virginia Society of Certified Public Accountants  
IIA – Institute of Internal Audit

## Anne Simpson

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### Professional Profile

Ms. Simpson is a highly motivated and results-oriented professional experienced in investment banking, capital markets, investment funds, and fixed income securities. She is analytical and detail-oriented with the ability to establish audit objective and scope work, to critically assess risks in the control environment, and to take responsibility for the overall execution of the audit project.

### Synopsis of Experience

#### **Senior, SC&H Consulting, McLean, VA**

January 2012- Present [www.scandh.com](http://www.scandh.com)

- Obtain a thorough understanding of complex financial and operational business processes
- Identify risks, controls, control gaps, and process improvement opportunities within the business processes
- Develop audit programs to test effectiveness of internal controls
- Report control deficiencies and audit observations to process owners
- Draft audit reports for management and audit committee
- Follow up on management's action plans to correct control deficiencies and weaknesses identified during the audit

#### **Program Analyst, Audit Division, Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP), Washington, DC**

September 2010 – December 2011

- Developed and executed multiple audit plans that ensured compliance with program rules outlined in the Public-Private Investment Program Limited Partnership Agreement
- Analyzed trading activities of eight fund managers to identify prohibited trading schemes, material non compliance, and conflicts of interest
- Conducted research from internal and external sources to identify high-risk areas involving the Department of Treasury and its partners in the Public-Private Investment Program
- Conducted operational interviews with senior management of investment funds and officials from the Department of Treasury's Office of Financial Stability to develop testing protocols which ensured compliance with program rules outlined in the Public-Private Investment Program Limited Partnership Agreement

#### **Senior Auditor, FBR Capital Markets Corporation, Arlington, VA**

January 2010 - July 2010

- Instrumental in yearly planning and refining of Sarbanes-Oxley control universe and risk control matrix, performed risk analysis and control mapping to general ledger; responsible for writing process narratives; tested and reviewed financial and information technology (IT) controls; reported annual results to the Board of Director's Audit Committee and external auditors

- Managed Anti-Money Laundering responsible for planning audit, reviewing fieldwork, writing final report
- Developed a new audit program for the Asset Management and Mutual Funds Distribution Audit, not previously performed
- Executed the annual Information Barriers audit, tested applicable system controls within relevant applications, and managed IT consultant during audit fieldwork

**Staff Auditor**

January 2008 - December 2009

- Performed the annual Anti-Money Laundering audit, responsible for planning audit, testing applicable controls during fieldwork, and writing final report
- Responsible for annual Sarbanes-Oxley control testing of over 200 controls, writing process narratives, and refining controls for better application
- Responsible for editing all final audit reports issued to senior management; responsible for preparing all presentation materials reported to the quarterly Board of Director's Audit Committee meetings; coordinated distribution of SOX questionnaires to senior and executive level management

**Education**

University of Maryland University College

Master of Business Administration and MS, Financial Management Candidate, Expected Graduation: 2012

Emory University, Atlanta, Georgia

B.S., Double Major: International Studies and Music Performance

## Michael Zink, CPA

### Professional Profile

Mr. Zink is a Senior Consultant in SC&H's Risk Management group, who is a highly motivated and result-oriented professional. Mr. Zink is experienced in project management, which he obtained during his employment within the construction industry. He has managed multi-million dollar projects including schools, parks, roads, and commercial buildings, ensuring that the projects are completed on time and on budget. He also has experience in complex audit areas from his work on many national and international public clients. Mr. Zink applies the knowledge gained from past experiences to help improve clients from his current engagements.

### Synopsis of Experience

#### **Senior, SC&H Consulting (Risk Management), Sparks, MD**

March 2012 – Present [www.scandh.com](http://www.scandh.com)

- Performs Internal Audit quality assessment and finance-related reviews/audits and communicates issues and recommendations to management
- Reviews client policies and procedures to ensure compliance with applicable laws and regulations
- Performs Sarbanes-Oxley 404 compliance efforts with clients to streamline planning, documenting and testing entity and process level controls.
- Strengthens a company's control environment and streamlines business processes by creating clear and concise audit reports with value added recommendations

#### **Chief Financial Officer, M.P. Construction, Inc., Baltimore, MD**

May 2007 – March 2012

- Prepared and updated CPM schedules for multi-year projects
- Managed contracts for subcontractors and vendors
- Developed and Implemented various processes including Maintenance of Equipment and Vehicles
- Performed cost accounting duties applying the percentage of completion method
- Managed all budgeting and scheduling activities for multi-year projects
- Performed all accounting duties including, but not limited to, WIP analysis, profitability analysis, amortization and depreciation schedules, and again analysis

#### **Associate- Acting Senior, Pricewaterhouse Coopers, LLP, Baltimore MD**

August 2005 – June 2007

- Completed audit programs, financial statements, disclosure checklist, and other documents as required by firm and regulatory policies
- Assisted in planning of quarterly reviews, supervised audit staff during fieldwork, and reviewed audited financial statements
- Performed and reviewed Sarbanes- Oxley internal control walkthroughs and tested operating effectiveness

- Completed complex audit areas such as software revenue recognition, derivative accounting, accounting for tax credit funds, goodwill, acquisition and variable interest entity accounting

**Education**

Bucknell University, Lewisburg, PA

B.S., Business Administration, Concentration in Accounting

**Professional Memberships**

American Institute of Certified Public Accountants (AICPA)

Maryland Association of Certified Public Accountants (MACPA)

<b>Résumé of</b>		<b>Gregory A. Beckmann</b>
Proposed Role:	<b>Senior Auditor</b>	<b>Relevant Key Qualifications</b> <input checked="" type="checkbox"/> Experience with auditing both public and non-public companies while performing the following tasks:  Financial statement review SOX Controls test work Preparation of financial statement  <input checked="" type="checkbox"/> One on one contact with clients to address complex areas and any possible financial statement variances
Total Years of Experience:	6+	
Security Clearance:		
Degree/Education:	<ul style="list-style-type: none"> <li>Bachelor of Science, Business Administration Major: Business Administration with concentrations in Accounting and Management</li> </ul>	
<b>Summary of Relevant Skills</b>		
Senior responsibilities including managing staff associates, preparing budgets. Specific experience in commodities trading, not for profit, and commercial audit		
<b>Employment History</b>		
2010 – Present	<b>Reed &amp; Associates, CPAs, Inc., Senior Auditor</b> <ul style="list-style-type: none"> <li>Responsible for audit planning under supervision of Manager. Also, responsible for fieldwork procedures and managing staff auditors. Prepares draft findings, attends key meetings.</li> <li><b>FDIC, OIG.</b> Perform procedures to test the internal controls designed and implemented during the closing of financial institutions where the FDIC is receiver</li> <li>Responsible for audit planning under supervision of Manager. Also, responsible for fieldwork procedures and managing staff auditors. Prepares draft findings, attends key meetings.</li> <li><b>Office of the Secretary (Health &amp; Human services), OMB A-123</b> - Test internal controls for design and operating effectiveness as well as assess the risks surrounding the key processes.</li> <li><b>Centers for Medicare and Medicaid Services</b> – CMS 1/3 financial audits of Managed Care Organizations (MCO) Cost Report Audits and CMS 1/3 financial audits of Medicare Advantage (MA) &amp; Prescription Drug (PD) plan bid packages including direct medical, enrollment, non-medical, prescription drug (PDE), pharmacy &amp; pass through pricing. Review the cost included in the MCO &amp; MAO Cost Reports to determine if the cost are allowable, complete, and accurate.</li> <li><b>Connectiv Solutions</b> – SAS 70 review to test the design and operating effectiveness of system user controls.</li> <li><b>Environmental Protection Agency, OMB A-123</b> - Test internal controls for design and operating effectiveness as well as assess the risks surrounding the key processes.</li> <li><b>Virginia Department of Rail and Public Transportation</b> – Compliance Review for Rail and Public Transportation grants.</li> <li></li> </ul>	
2007 – 2009	<b>KPMG, LLP, Senior Auditor</b> <ul style="list-style-type: none"> <li>Financial statement review</li> </ul>	

<b>Résumé of</b>	<b>Gregory A. Beckmann</b>
	<ul style="list-style-type: none"> <li>• SOX Controls test work</li> <li>• Preparation of financial statement</li> <li>• One on one contact with clients to address complex areas and any possible financial statement variances</li> <li>• Senior responsibilities including managing staff associates, preparing budgets, and having ultimate responsibilities to complete engagement tasks</li> <li>• Specific experience in commodities trading, not for profit, and commercial audit</li> </ul>
2005 - 2006	<p><b>Mutual of Omaha, Auditor</b></p> <ul style="list-style-type: none"> <li>• Analyzing hospital bad debts to assure they are in accordance with governmental regulations</li> <li>• Training new associates</li> <li>• Working directly with client accountants to provide payment summary schedules and acquire all supporting bad debt documentation</li> </ul>
	<p><b>Relevant Experience History</b></p> <p><b><u>Education Grants</u></b></p> <p><b>Clarkson College</b></p> <ul style="list-style-type: none"> <li>• Worked as the Senior in-Charge Auditor on the FYE 2006 audit of Clarkson College located in Omaha, Nebraska. He performed OMB circular A-110 testwork relating the education grants received by Clarkson College for its nursing students.</li> </ul> <p><b>Nebraska Methodist College</b></p> <ul style="list-style-type: none"> <li>• Worked as the Senior in-Charge Auditor on the FYE 2008 audit of Nebraska Methodist College located in Omaha, Nebraska. He performed OMB circular A-110 testwork relating the education grants received by Clarkson College for its nursing students.</li> </ul> <p><b><u>Not-for-Profit Organizations</u></b></p> <p><b>Red Cross</b></p> <ul style="list-style-type: none"> <li>• Mr. Beckmann was the senior in-charge auditor for the Omaha Chapter Red Cross's fiscal year 2006 and 2007 financial statements. He performed testwork in accordance with A-133 guidance.</li> </ul> <p><b>Goodwill</b></p> <ul style="list-style-type: none"> <li>• Mr. Beckmann was the senior in-charge auditor for the Omaha Goodwill Chapter's fiscal year 2008 financial statements. He performed testwork in accordance with A-133 guidance.</li> </ul>

Résumé of		George V. Hollingsworth
Proposed Role:	Manager	<b>Relevant Key Qualifications</b> <input checked="" type="checkbox"/> 6 years of hands-on experience in assessment of accounting systems, internal controls audits, development of system business and functional requirements, and compliance of accounting standards <input checked="" type="checkbox"/> 6 years of hands-on experience with SAS 70 type I & II audits. <input checked="" type="checkbox"/> Over 8 years Medicare experience <input checked="" type="checkbox"/> Medicare Part C and Part D audit experience <input checked="" type="checkbox"/> FAR Part 31 audit experience <input checked="" type="checkbox"/> CAS audit experience
Total Years of Experience:	22	
Security Clearance:	None	
Degree/Education:	<ul style="list-style-type: none"> <li>BS Accounting, State University of New York</li> </ul>	
Summary of Relevant Skills		
Employment History		
2003 to Present	<p><b>Reed &amp; Associates, CPAs, Inc., Manager</b> <b>C2MHill.</b></p> <ul style="list-style-type: none"> <li>Mr. Hollingsworth was the Audit Director on the cost incurred and accounting system audit of Polar Field Services, subcontractor on National Science Foundation (NSF) grant.</li> </ul> <p><b>Lockheed Martin Information Technology Watkins Information Technology</b></p> <ul style="list-style-type: none"> <li>Managed a team tasked with performing a SAS-70 Type II audit. (Internal controls of a service provider including design, implementation, and effectiveness). Prepared testing plans to measure the design, implementation and effectiveness of the key business controls as well as the controls regarding the change management process. Provided guidance to staff to perform their audit procedures, and reviewed client documentation and baseline test results of key controls. Interviewed management and staff to document the control procedures performed and documented walkthroughs of controls. Presented findings and recommendations to management. Drafted audit report.</li> </ul> <p><b>CNCS</b></p> <ul style="list-style-type: none"> <li>Audit manager on performance audit of SRA International hosting of CNCS IT systems.</li> </ul> <p><b>CMS/SeKON, Inc</b></p> <ul style="list-style-type: none"> <li>Mr. Hollingsworth was the Audit Manager on the cost incurred audit of 4 years of incurred cost submissions prepared for CMS to accumulate and report all costs incurred and reported as direct or indirect. Mr. Hollingsworth calculated and recommended final indirect cost rates based on audited information.</li> </ul> <p><b>Palmetto GBA.</b></p> <ul style="list-style-type: none"> <li>Mr. Hollingsworth is the manager on the review of claims submitted by a health care provider in which Palmetto has a financial interest, thereby making the processing of the claims a potential conflict of interest. In accordance with Palmetto's COI plan to mitigate potential conflicts, an independent review of all claims that required manual intervention is being performed (all edit and audit codes including MSP, MR, duplicate payment, assigned, medical necessity).</li> </ul>	

## Résumé of

## George V. Hollingsworth

**U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services**

- Mr. Hollingsworth is the Audit Director on the agreed-upon procedures engagement to review the allowability and allocability of medical service and administrative type costs claimed for reimbursement by Medicare Managed Care plans on their annual cost reports and Medicare Advantage Organizations financial audits. Tested internal controls, financial reporting, and proper coding of medical claims.

**Pharmacy Insurance Corporation of America (PICA) , Centers for Medicare & Medicaid Services - Related to Corrective Action and Compliance**

- Directed a team tasked with performing a Corrective Action Review of a CMS Medicare Advantage Organization.
- Provided engagement planning, guidance in fieldwork approach and testing.
- Drafted audit report.

**Federal Deposit Insurance Corporation (FDIC) Incurred Cost Audit of Lockheed Martin**

- Managed a team tasked with performing an audit of Incurred Cost of Lockheed Martin. Performed review of fieldwork and work paper preparation/documentation.
- Assisted in the planning of testing and the development of findings

**Watkins Information Technology**

- Managed a team tasked with performing a SAS-70 Type II audit (internal controls of a service provider including design, implementation, and effectiveness). Prepared testing plans to measure the design, implementation, and effectiveness of the key business controls as well as the controls regarding the change management process.
- Provided guidance to staff to perform their audit procedures, and reviewed client documentation and baseline test results of key controls. Interviewed management and staff to document the control procedures performed and documented walkthroughs of controls. Presented findings and recommendations to management. Drafted audit report.

**Invoice Insight**

- Managed a team tasked with performing a SAS-70 Type I audit (internal controls of a service provider including design and implementation as of a specified date of a service organization. Prepared testing plans to measure the design and implementation of the key business controls. Provided guidance to staff members performing the audit.
- Reviewed client documentation and baseline test results of key controls. Conducted interviews with pertinent management and staff to document the procedures performed and documented walkthroughs of controls. Presented findings and recommendations to management. Drafted audit report.

**U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services**

**Résumé of****George V. Hollingsworth**

- Directed a team tasked with performing the SSAE 16 type II audit (internal controls of a service provider including design, implementation, and effectiveness) of Medicare fiscal intermediaries, carriers and program safeguard contractors.
- Supported a team tasked with performing the SAS70 type II audit (internal controls of a service provider including design, implementation, and effectiveness) of Medicare fiscal intermediaries, carriers and program safeguard contractors.
- Generated internal controls process memos; tested accuracy of asserted processes and evaluated controls based on the Control Objectives set forth by CMS from 2003 – 2006. Prepared written documentation and conclusions as well as documented findings and proposed recommendations.

**U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services**

- Business analyst on CMS contract to accept, evaluate, and process requests for retroactive plan enrollment of beneficiaries in Medicare Part C or Part D programs.
- Review documentation to support enrollment, review CMS MBD records and MARx database to assure eligibility and classification of enrollment. Process retroactive requests in accordance with the Medicare Managed Care Manual, Chapters 2 and 17. Prepare analysis and results to CMS on enrollment issues.

**U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services – Managed Care Organizations, Medicare Part C, Cost Report Audits**

- Mr. Hollingsworth was one of the managers on the audits of the 2003, 2004, and 2005 MCO submitted cost reports of Kaiser Permanente – Mid-Atlantic, Kaiser Permanente – Hawaii, M-Plan and Welborn.
- Reviewed all medical service and non-medical costs claimed for reimbursement. Based on statistical sampling, assured members were enrolled and eligible for claimed benefits, medical service costs were allowable (i.e., covered by Medicare), supported by medical records and physician notes to substantiate the CPT codes assigned to encounters or visits, relative-value units were assigned to Medicare and non-Medicare claims consistently to assure proper allocation of costs.

**Ginnie Mae (GNMA)**

- Acted as Senior Manager on a Contract Audit and Review (CAR) of contracts held by Deloitte & Touche, Lockheed Martin, and Bearing Point related to the Mortgage-Backed Securities program. Management responsibility for CARs was to perform and review the agreed-upon procedures to ensure that the work performed by contractors was done in accordance to the requirements of each contract, this included: verify GNMA was billed properly and adequate documentation was provided to support all bills, review key operational areas to determine the adequacy of internal controls over contract compliance, deliverables, disaster recovery plans, reporting, and system security and data security. Also, trained and managed a team to successfully perform this engagement and deliver a quality final report in a timely manner.

## Résumé of

## George V. Hollingsworth

**Constellation Energy.**

- Performed Sarbanes-Oxley Section 404 readiness assessment for large public utility companies. Documented and assessed internal controls over financial reporting and system lifecycle development and change, including security controls.

**Department of Housing and Urban Development (HUD), Funds Control.**

- Performed funds control Assessment of 57 of HUD's 177 funded activities. Determined if HUD's Headquarters and field offices internal and administrative controls over funds were performed in compliance with the provisions acknowledged in the Improper Payments Information Act and HUD's Fund Control Handbook. Performed inquiries of appropriate personnel regarding specific control policies and procedures to corroborate responses with other related personnel and management assertions. Prepared various tests and audit procedures to develop specific control objectives, evaluated existing internal control structures and made necessary recommendations to improve the control environment.

**Environmental Careers Organization.**

- Served as Interim Director of Finance and Administration, directing a staff of 8 to 9 accounting personnel responsible for the preparation of financial statements for this not-for-profit organization. Served as the Project Manager in performing an accelerated implementation of newly purchased accounting system software. Prepared and implemented annual budget projections and monthly forecast. Managed an accounting team to prepare monthly, quarterly, and annual financial updates, daily cash flow analysis, and presented results to senior management and the Board of Directors. Managed the accounting department's preparation of annual A-133 audited financial statements and schedules. Negotiated the organization's indirect cost rate agreement with program officers.

**Centers for Medicare & Medicaid Services – Medicare Advantage and Medicare Prescription Drug Programs – Audits of Part C Claims, Plan Bid Packages, Pharmacy Benefit Managers and Prescription Drug Events**

- Mr. Hollingsworth is one of the managers on the audits of Plan year 2009 bid packages, including historic information used to estimate Part C claims experience, Part D Prescription Drug events, pharmacy costs based on Pharmacy Benefit Manager (PBM) formulary and dispensing negotiations and controls, and administrative cost estimates. Mr. Hollingsworth reviews the bid packages, ties to financial records and claims or PDEs, assesses allowability of costs, eligibility of coverage, and determines proper application of direct and indirect remuneration, true-out-of-pocket costs, and cost/risk sharing, etc.

**U.S. Department of Health and Human Services, Centers of Medicare and Medicaid Services.**

- Managed a team tasked with performing agreed upon procedures relating to the

Résumé of	George V. Hollingsworth
	<p>accounts receivable for the Blue Cross and Blue Shield of Georgia solely to assist CMS in evaluating the reliability of the reported accounts receivable balance. The specific objectives of the agreed upon procedures were to (1) test management's assertion of the accuracy and completeness of the reported balances, including the adequacy of the allowance for uncollectible accounts, (2) recommend necessary procedural changes needed to establish proper accounting for accounts receivable activity, and (3) recommend necessary adjustments, if any, to the reported accounts receivable balances.</p>
1994 – 2003	<p><b>National 4-H Activities Foundation, Chief Financial Officer</b>  <b>Chief Financial Officer</b></p> <ul style="list-style-type: none"> <li>• Responsible for developing the annual strategic plans necessary to further the organization's mission and achieve long and short-term goals set by the Board of Directors. Facilitated quarterly financial meeting updating the senior management and the Financial Management Team on organizational progress of financial goals. Developed various financial indicators used to measure the overall organizational financial performance, prepared financial statements and other financial reports. Performed reviews of prospective client relationships to determine the organizational financial impact of future partnerships and developed and evaluated the internal control structure to ensure the security of organizational assets.</li> </ul> <p><b>Director</b></p> <ul style="list-style-type: none"> <li>• Directed staff of 8 to 10 personnel responsible for the preparation of financial statements. Prepared and implemented annual three year rolling budget projection and monthly forecast. Managed preparation of monthly, quarterly and annual financial and presented the results to senior management. Supervised preparation of annual A-133 audited financial statements and schedules. Performed annual strategic planning for the organizations Supply Service Division which included sales strategies, warehouse/inventory analysis and pricing. Planned and executed a Sarbanes-Oxley readiness assessment to ensure the company's compliance with Sarbanes-Oxley requirements.</li> </ul>
1993 - 1994	<p><b>M.D. Oppenheimer, CPAs, Senior Auditor</b></p> <ul style="list-style-type: none"> <li>• Performed audits of government contractors</li> </ul>
1990 –1992	<p><b>Tichenor &amp; Associates, LLC, Staff Auditor</b></p> <ul style="list-style-type: none"> <li>• Performed audits of government contractors</li> </ul>

Résumé of		Kelly S. Hunter
Proposed Role:	Senior Auditor	<b>Relevant Key Qualifications</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Strong problem solving skills</li> <li><input checked="" type="checkbox"/> Excellent risk assessment skills</li> <li><input checked="" type="checkbox"/> Citrix Program (Sun Systems, MIS OnVision)</li> <li><input checked="" type="checkbox"/> Auditing Theory and Practice</li> <li><input checked="" type="checkbox"/> Advanced Accounting Information Systems and Forensic Accounting and Legal Environment Coursework</li> <li><input checked="" type="checkbox"/> Microsoft Dynamics GP (Great Plains),</li> <li><input checked="" type="checkbox"/> MRI, Oracle, Crystal Reports XI, GroupWise, Lotus Notes, Lotus 123</li> <li><input checked="" type="checkbox"/> Microsoft Office</li> </ul>
Total Years of Experience:	10	
Security Clearance:		
Degree/Education:	<ul style="list-style-type: none"> <li>• Master of Accounting, Forensic Accounting, Florida Atlantic University, Boca Raton, FL</li> <li>• Bachelor of Science in Business Administration, Accounting and Management, Ohio Northern University, Ada, OH</li> </ul>	
<b>Summary of Relevant Skills</b>		
<ul style="list-style-type: none"> <li>• Experienced accounting professional with strong analytical and organizational skills.</li> <li>• Proven ability to strengthen control processes for compliance and security.</li> <li>• Strong investigator/problem solver, always looking for ways to manage risks and increase efficiency.</li> </ul>		
<b>Employment History</b>		
2011 – Present	<p><b>Reed &amp; Associates, CPAs, Inc., Senior Auditor</b></p> <ul style="list-style-type: none"> <li>• Responsible for performing fieldwork according to GAAS and GAGAS Standards.</li> <li>• Responsible for preparing work papers and supporting all conclusions.</li> <li>• Responsible for completion of assigned portions of audit program and for reporting to Manager.</li> </ul> <p><b>PricewaterhouseCoopers, LLP/Department of Homeland Security (DHS)</b></p> <ul style="list-style-type: none"> <li>• Performed A-123 audit testing for federal government client and its subcomponents; including, PBC preparation and maintenance, sample selection, work paper documentation, and citation of findings and conclusions from tested work papers.</li> <li>• Worked closely with managers, associates, and client contacts to ensure documentation was received timely and work was completed by set deadline.</li> </ul> <p><b>Health Resources and Services Administration (HRSA)</b></p> <ul style="list-style-type: none"> <li>• Compiled financial ratio data for HRSA grantees according to client specifications.</li> <li>• Provided input to both HRSA management and audit team to help ease data assembly.</li> </ul> <p><b>SC&amp;H, Group, LLC/Department of Rail and Public Transportation</b></p> <ul style="list-style-type: none"> <li>• Performed compliance reviews of public transportation entities within the State of Virginia.</li> <li>• Reviewed and completed testing of Formula, Capital, CMAQ, and RTAP grant funding to state recipient; including work paper documentation, noting conclusions, and preparing issue fact sheets.</li> <li>• Aided in vehicle inventory counts.</li> </ul> <p><b>Federal Deposit Insurance Corporation (FDIC)</b></p> <ul style="list-style-type: none"> <li>• Lead Senior on audit of billings by Lockheed Martin under their Data Management contract (\$200 million, 8500 invoices)</li> <li>• Assisted Manager with review and compilation of electronic work paper file in CaseWare.</li> <li>• Prepared weekly status updates for and led weekly meetings with FDIC management.</li> <li>• Developed testing work papers to be used by audit team.</li> <li>• PBC preparation and maintenance.</li> </ul>	

<b>Résumé of</b>		<b>Kelly S. Hunter</b>
	<ul style="list-style-type: none"> <li>Firm's main point-of-contact with both FDIC and Lockheed Martin.</li> </ul>	
2008 – 2010	<p><b>Genesys Conferencing, Senior Accountant</b></p> <ul style="list-style-type: none"> <li>Earned Employee of the Month award (April 2009) for efficiently handling seven subsidiaries when department was short staffed.</li> <li>Cleaned up balance sheet accounts reducing risk exposure and increasing efficiency of financial statement review.</li> <li>Created automated spreadsheet to complete intercompany account reconciliations.</li> <li>Trained new employees on monthly tasks related to their specific subsidiaries.</li> </ul>	
2007 - 2008	<p><b>Robert Half Finance and Accounting, Financial Specialist</b></p> <ul style="list-style-type: none"> <li>Provided accounting services to clients on a consultant basis through the Salaried Professional Services.</li> <li>Assisted staff with proper transaction coding to improve accuracy and reduce risks.</li> <li>Implemented new procedures for vendor payments and reconciliations to increase efficiency and accuracy and to strengthen internal controls.</li> <li>Researched and resolved long-standing balance sheet reconciliation items, improving transparency and reducing potential for fraud.</li> <li>Designed and trained new employees on a new automated reconciliation process that reduced errors.</li> </ul>	
2005 - 2007	<p><b>Lockwood Management Company, Project Accountant</b></p> <ul style="list-style-type: none"> <li>Submitted accurate financial statements for assigned properties according to the State of Michigan deadlines.</li> <li>Performed general ledger review and cleaned up expense postings to ensure compliance with State guidelines.</li> <li>Audited properties to ensure internal controls were followed when entering cash receipts and tenant data after fraud had been detected by management.</li> <li>Improved internal accuracy and controls by training site staff on use of company's accounting software and review of tenant ledgers.</li> </ul>	
2003 - 2005	<p><b>Glimcher Realty Trust, Cash Analyst and Staff Accountant</b></p> <ul style="list-style-type: none"> <li>Sought by Director of Treasury to fill open Cash Analyst position based on achievements in previous position.</li> <li>Documented procedures of all Cash Analyst tasks for compliance with Sarbanes-Oxley (SOX) Act.</li> <li>Handled real estate tax items and updated on site-records for 42 properties.</li> <li>Handled daily and monthly recording and reconciliation of monies transferred between bank, escrow and general ledger accounts.</li> <li>Completed accounting and record keeping tasks for the Glimcher Development Corporation (GDC).</li> <li>Decreased time needed to close month from seven to three business days,</li> <li>Documented procedures of all GDC Staff Accountant tasks for compliance with Sarbanes-Oxley (SOX) Act.</li> <li>Analyzed approximately 40 community center income statements per month, reducing errors and monitoring risks.</li> <li>Became sole contact for real estate tax related items.</li> </ul>	
2002-2003	<p><b>Julian &amp; Grube, Inc., CPAs, Staff Accountant</b></p>	

**Résumé of**

**Kelly S. Hunter**

- Performed audit of GAAP basis financials for school districts, villages, townships, counties and cities.
- Managed lead schedule preparation for school audits which were completed according to standards and on time for the first time in five years.
- Organized all audit related correspondence, resulting in completed audit folders.

Résumé of		Chrispin Stewart
Proposed Role:	Staff Auditor II	<b>Relevant Key Qualifications</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Yellow Book CPE requirements met</li> <li><input checked="" type="checkbox"/> Conditioned in financial, auditing, taxation, cost, and international accounting</li> <li><input checked="" type="checkbox"/> Experienced with auditing of public and non public companies, and different types of audit engagements</li> <li><input checked="" type="checkbox"/> Commended for strong communication skills</li> </ul>
Total Years of Experience:	1+	
Security Clearance:		
Degree/Education:	<ul style="list-style-type: none"> <li>• Southern Connecticut State University—New Haven, CT School of Graduate Studies: <b>Master of Business Administration</b></li> <li>• Southern Connecticut State University, New Haven, CT Major: <b>BS-Business Admin.</b> Concentration: <b>Accounting</b></li> </ul>	
Summary of Relevant Skills		
Staff Auditor II with fundamental comprehension of accounting processes, assurance processes, and proper ethical reporting. Strong analytical and professional skills and always willing to take on new and challenging responsibilities.		
Employment History		
2011 - Present	<p><b>Reed &amp; Associates, CPAs, Inc., Staff Auditor II</b></p> <ul style="list-style-type: none"> <li>• Responsible for performing fieldwork according to GAAS and GAGAS Standards.</li> <li>• Responsible for preparing work papers and supporting all conclusions.</li> <li>• Also responsible for completion of assigned portions of audit program and for reporting to Senior Auditor.</li> </ul> <p><b><u>Engagements</u></b></p> <p><b>National Heritage Insurance Company, DME MAC, SSAE 16 Type II Audit:</b></p> <ul style="list-style-type: none"> <li>• Perform procedures to test the internal controls designed and implemented to meet CMS objectives <ul style="list-style-type: none"> <li>• Conduct interviews and walkthroughs to gain understanding of control activity</li> <li>• Design and conduct tests to measure the effectiveness of internal control activities</li> </ul> </li> <li>• Document and submit all work to supervisor for review</li> </ul> <p><b>Federal Deposit Insurance Corporation (FDIC), Audit of DMS Invoices:</b></p> <ul style="list-style-type: none"> <li>• Reviewed the terms and conditions of the contract files</li> <li>• Audited the following types of invoices <ul style="list-style-type: none"> <li>• Labor costs</li> <li>• Hardware and Software costs</li> <li>• Travel costs</li> <li>• Monthly fixed fees</li> </ul> </li> <li>• Audited the internal controls over the billing processes</li> </ul> <p><b>Health Resources and Services Administration (HRSA), Financial Assessments and Financial Ratio Analysis:</b></p> <ul style="list-style-type: none"> <li>• Financial Assessments <ul style="list-style-type: none"> <li>• Captured, document, and update data in a DFI financial assessment database <ul style="list-style-type: none"> <li>• Performed financial assessments on grantees</li> <li>• Created financial assessment records on grantees</li> </ul> </li> </ul> </li> <li>• Financial Ratio Analysis <ul style="list-style-type: none"> <li>• Examined grantee's current plus two prior A133 audit reports</li> </ul> </li> </ul>	

Résumé of	Chrispin Stewart
	<ul style="list-style-type: none"> <li>• Calculated Financial Ratios using financial statement data available</li> <li>• Submitted completed financial ration analysis to designated DFI for review</li> </ul> <p><b>Centers for Medicare &amp; Medicaid Services, Managed Care Organization (MCO) Cost Reports Examination:</b></p> <ul style="list-style-type: none"> <li>• Assisted with the assembling and review of planning and preliminary documents</li> <li>• Completed assigned portions of audit program, e.g. the examination of Related Organization Costs and Medical Service Cost (Capitation Agreements and Fee Schedules)</li> <li>• Prepared work papers and supporting documents, and reported all information to Senior Auditor</li> <li>• Conducted upload to Caseware Workpapers system</li> </ul> <p><b>Centers for Medicare &amp; Medicaid Services, Medicare Advantage Organization (MAO) and Prescription Drug Plan (PDP) Examination:</b></p> <ul style="list-style-type: none"> <li>• Assisted with the assembling and review of planning and preliminary documents</li> <li>• Completed assigned portions of audit program, e.g. the examination of Related Organization Costs and Testing of Part D Claims (General PDE, Non Standard PDE and LICS PDE)</li> <li>• Prepared work papers and supporting documents, and reported all information to Senior Auditor</li> <li>• Conducted upload to Caseware Work papers system</li> </ul>
2005 – 2010	<ul style="list-style-type: none"> <li>• Marrakech Inc., Program Instructor</li> <li>• Conduct monthly bank reconciliation for six group homes</li> <li>• Assist with the auditing of financial books for 28 residents</li> <li>• Manage petty cash funds</li> <li>• Implement money-management programs</li> <li>• Prepare quarterly review reports</li> </ul>
1999 – 2005	<ul style="list-style-type: none"> <li>• Riverview Resthome, Assistant Resident Coordinator</li> <li>• Coordinated weekly payroll functions for 15 employees</li> <li>• Managed personal funds for 40+ residents</li> <li>• Processed weekly inventory</li> <li>• Coordinated appointments, meetings, and livery service</li> <li>• Trained staff in main office, dietary, and kitchen department</li> </ul>



**Proposal to Provide  
General Financial Consulting Services**

**To**



**June 22, 2012**

**\*REVISED TAB 5 Attachment D**

**Joseph Freiburger  
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jfreiburger@scandh.com  
[www.scandh.com](http://www.scandh.com)**

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**#2**

**TAB 5 – Attachment D – Price Schedule *REVISED***

**Staffing & Pricing Plan**

Please refer to **TAB 2** (page 21) for a listing of all staff positions. The hourly rates for the three (3) potential services describe in the Statement of Needs appear below.

**Internal Controls Price Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**#2**

**TAB 5 – Attachment D – Price Schedule *REVISED***

**Staffing & Pricing Plan (cont'd)**

**Financial Planning and Analysis Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager)					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**#2**

**TAB 5 – Attachment D – Price Schedule *REVISED***

**Staffing & Pricing Plan (cont'd)**

**Other Financial Services Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager)					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

Reimbursement for travel (mileage, meals or lodging) is not allowed, unless approved in writing, in advance, as part of an approved Task Order. In those cases where travel allowance is authorized, travel reimbursement shall be in accordance with the Commonwealth’s Travel Guidelines in effect at the time of travel. The Travel Guidelines can be found at:  
[http://www.doa.virginia.gov/Admin\\_Services/CAPP/CAPP\\_Topics/20335\\_1206.pdf](http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_1206.pdf)

**Note:** Non-salary direct costs will be paid based on actual costs incurred, documented with proper receipts, subject to State Regulation and Prior Approval of DRPT.



EXHIBIT C

**Proposal to Provide  
General Financial Consulting Services**

To



Virginia Department of Rail and Public Transportation  
*The Smartest Distance Between Two Points*

June 22, 2012

**\*REVISED TAB 5 Attachment D**

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**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**#2**

**TAB 5 – Attachment D – Price Schedule *REVISED***

***Staffing & Pricing Plan***

Please refer to **TAB 2** (page 21) for a listing of all staff positions. The hourly rates for the three (3) potential services describe in the Statement of Needs appear below.

**Internal Controls Price Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

**RE: RFP Section V. Proposal Preparation & Submission Requirements**  
**#2**

**TAB 5 – Attachment D – Price Schedule *REVISED***

**Staffing & Pricing Plan (cont'd)**

**Financial Planning and Analysis Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

RE: RFP Section V. Proposal Preparation & Submission Requirements

#2

**TAB 5 – Attachment D – Price Schedule *REVISED*****Staffing & Pricing Plan (cont'd)****Other Financial Services Pricing Schedule:**

Labor Category* (Change/add categories as necessary)	Name	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
Director (Contract/ Project Manager					\$240.00
Principal					\$240.00
IT Principal					\$240.00
Senior Manager					\$205.00
Manager					\$183.00
Manager					\$178.00
IT Manager					\$180.00
Senior Accountant					\$145.00
Senior Accountant					\$153.00
Senior Accountant					\$138.00
Staff Accountant					\$110.00

Reimbursement for travel (mileage, meals or lodging) is not allowed, unless approved in writing, in advance, as part of an approved Task Order. In those cases where travel allowance is authorized, travel reimbursement shall be in accordance with the Commonwealth's Travel Guidelines in effect at the time of travel. The Travel Guidelines can be found at:

[http://www.doa.virginia.gov/Admin\\_Services/CAPP/CAPP\\_Topics/20335\\_1206.pdf](http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_1206.pdf)

**Note:** Non-salary direct costs will be paid based on actual costs incurred, documented with proper receipts, subject to State Regulation and Prior Approval of DRPT.

**Nusbaum, Ashley (DRPT)**

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**From:** Joe Freiburger [jfreiburger@scandh.com]  
**Sent:** Wednesday, August 01, 2012 12:00 PM  
**To:** Nusbaum, Ashley (DRPT)  
**Cc:** Thompson, Angela (DRPT)  
**Subject:** RE: RFP 505-12-RR0001 Rates

Ashley,

Yes, SC&H will agree to keep the rates we submitted in our proposal fixed for the first three years of the contract.

If you would like to insert a sentence or two to that effect in the final contract, I will agree to sign the contract with that language included.

Thanks

Joe

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**From:** Nusbaum, Ashley (DRPT) [mailto:ashley.nusbaum@drpt.virginia.gov]  
**Sent:** Wednesday, August 01, 2012 10:54 AM  
**To:** Joe Freiburger  
**Cc:** Thompson, Angela (DRPT)  
**Subject:** RFP 505-12-RR0001 Rates

Joe,

Thank you for meeting with Jamie, Angela and I in regards to your proposal for RFP 505-12-RR0001 - Contract for General Financial Services. As a follow-up, will you confirm that, if awarded a contract, SC&H agrees to keep the rates submitted in the proposal fixed for the first three years of the contract? Thanks.

Ashley Nusbaum  
Financial Compliance & Procurement Analyst  
Dept. of Rail and Public Transportation  
600 E. Main Street, Suite 2102  
Richmond, VA 23219  
804-786-2890

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8/1/2012

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