



# 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-CC0003*

**THIS CONTRACT for General Financial Consultant Services in Virginia** is entered into this 20th day of September, 2012 by Cherry, Bekaert & Holland, LLP, (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 received July 27, 2012, which is hereto attached and marked as Exhibit C, and hereby made a part of this document.

*The Smartest Distance Between Two Points*  
[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

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.

**CHERRY, BEKAERT &  
HOLLAND, LLP**

**DEPARTMENT OF RAIL AND  
PUBLIC TRANSPORTATION**

By: F. Patrick Green, Jr.  
Name: Rossen Coleman  
Title: PARTNER  
Date: 9/26/12

By: Ashley Nusbaum  
Ashley Nusbaum  
Financial Compliance and  
Procurement Analyst  
Date: 9/26/12

**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 CONDITIONS

**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.	



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BEKAERT &  
HOLLAND**  
CERTIFIED PUBLIC  
ACCOUNTANTS &  
CONSULTANTS

**EXHIBIT B**

**COPY**

**General Financial Consultant Services  
RFP 505-12-RR0001**

**Virginia Department of Rail and Public  
Transportation**

**Friday, June 22, 2012**

**R. Russell Coleman, Jr.**  
Partner

**Cherry, Bekaert & Holland, L.L.P.**

200 S. 10th Street  
Suite 900  
Richmond, Virginia 23219

804-673-5700  
804-673-4290 fax  
rcoleman@cbh.com  
www.cbh.com

**Solutions.**

**Character.**

**Depth.**



**Cherry, Bekaert & Holland, L.L.P.**  
**The Firm of Choice.**

[www.cbh.com](http://www.cbh.com)

200 S. 10th Street  
Suite 900  
Richmond, Virginia 23219  
phone 804-673-5700  
fax 804-673-4290

Friday, June 22, 2012

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

Dear Selection Committee:

Cherry, Bekaert & Holland (CB&H) appreciates the opportunity to submit a proposal to continue to provide services to the Virginia Department of Rail and Public Transportation (DRPT). With our broad experience in serving government entities and our specific experience with DRPT, we believe that **CB&H can continue to meet your needs, both today and in the future.**

### **Why CB&H?**

At CB&H we believe that maintaining a long-standing, established service relationship will enable our team of dedicated professionals to build bottom-line value for DRPT.

### **Engagement Team Continuity backed by Depth of Resources**

As you will see in Tab 2 of this proposal, we commit to maintain your senior manager with WR Gay, seniors Chris Edmunds and Ryan Holman as well as staff auditor Kai Sommer. As in the past, we will schedule the proper onsite supervision to ensure that our field teams can work efficiently, effectively and with minimal disruption to day-to-day operations.

### **Reliability**

Your CB&H team has proudly served Virginia Department of Rail and Public Transportation since 2007. During this time we strived to serve as a trusted business advisor. We appreciate your confidence in us and your willingness to refer CB&H to other entities and hope to continue providing valued service.

We understand the importance of making our team available for and responsive to your service needs throughout the year. During our previous years of service we have been responsive to our assigned scope of work as well as filled in when other contractors were unable to meet requirements/deadlines. As noted above, we will maintain current members of your engagement team to provide continuity of service and institutional knowledge as well as make available a depth of resources in order to meet your needs. DRPT can rely on the CB&H engagement team, **not only by reputation but also through our history of recent service to you.**

***We are excited about the opportunity to continue to serve the Virginia Department of Rail and Public Transportation*** and are confident that you will find us fully capable of meeting your current and future needs. We will continue to approach all interactions with the philosophy of strengthening our partnership. If you have any questions or would like additional information, please do not hesitate to contact me directly at [rcoleman@cbh.com](mailto:rcoleman@cbh.com) or 804-673-5740.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in black ink, appearing to read "Russell Coleman". The signature is written in a cursive, flowing style.

R. Russell Coleman, Jr.  
Partner



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**Proposal to Serve Virginia Department of Rail and Public Transportation**

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## **RFP Cover Sheet**

# 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

**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:**

Cherry, Bekaert & Holland LLP

Company Name

200 S. 10th Street, Suite 900

Address

Richmond, VA 23219

City, State, Zip

56-0574444

FEI/FIN Number

Rcoleman@cbh.com

E-mail

6/22/12

Date



Signature in Ink

R. Russell Coleman

Printed or Typed Name of Above

804-673-5700

Phone

804-673-4290

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.**

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



## **Tab 1. Understanding of Work and Plan for Providing Services**

### **Understanding of Services to be Provided**

We have read the scope of services included in the RFP and understand them to include the following:

1. Internal Control Assessment
2. Financial Planning and Analysis
3. Other Financial Services – For example: financial compliance reviews of grant or project agreements

### **Ability to Respond to Purchase Orders and Provide Timely Service**

With over 1,000 employees firm-wide, the collective talents and assets of CB&H make us unique. Each individual's contribution is critical to our success.

As the Firm of Choice in the Southeast, we strive to develop and nurture relationships with our clients that are proactive, helpful, responsive, knowledgeable, industry-specific and valuable. Each professional at CB&H is responsible for delivering the high level of service that our clients deserve.

**We work collaboratively to utilize the depth of resources, specialized talent and geographic prominence of CB&H to provide clients with superior service and valued solutions.**

### **Responding to Purchase Orders**

As in the past with annual purchase orders, we will send a written response outlining the scope of services to be provided, the staff and resources we will use, the proposed timing of the engagement, and the proposed fees for services, either as a fixed fee or on a time and materials basis.

Once we have been engaged we will begin planning with the necessary personnel. In the instance of grant compliance, we would perform the following steps:

- Schedule on-site review with grant recipients
- Perform site visit(s) to review documentation of grant compliance
- Complete programs
- Provide documentation to DRPT for reporting purposes



## **1. DRPT Statement of Needs Element: Internal Control Assessment**

### *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 SWOT analysis and including testing of the transaction-level controls.*
- *Develop corrective action plans for weaknesses in fiscal processes.*

DRPT successfully implemented the initial internal control assessment in accordance with Office of the Comptroller's Directive 1-07, "Required Implementation of *Agency Risk Management and Internal Control Standards*" (ARMICS) with the assistance of Cherry Bekaert & Holland in 2007. The process and documentation was later audited by the Office of the Comptroller and found to be in compliance. Should DRPT be interested in assistance with updating its risk assessment or with annual testing, CB&H would customize the level of service based on the availability of DRPT resources. For a point of reference, a complete ARMICS project generally involves the following stages.

### **Stage 1 – DRPT Internal Control Assessment**

Complete documentation for this assessment will include a description and evaluation of the design of DRPT internal controls across five components.

#### **1. Control Environment**

- a. Develop and actively promote a Code of Ethics
- b. Management philosophy
- c. Management's attitude towards risks
- d. Oversight by the DRPT's governing board
- e. Integrity and ethical values
- f. Promotion of ethics and appropriate conduct
- g. Organizational structure
- h. Assignment of authority and responsibility
- i. Workforce competence and human resource development

#### **2. Risk Assessment**

- a. Conduct and document an agency-wide risk assessment.
- b. Establish a process for an on-going risk assessment of the agency fiscal year process as part of the documentation and assessment of control activities.



**3. Control Activities**

- a. Document and assess agency-level control activities applicable to:
  - i. All significant fiscal processes
  - ii. Accounting administration
  - iii. The general ledger
  - iv. Information systems
- b. Document all significant agency fiscal processes and assess the operation of their associated control activities.

**4. Information and Communication**

Document and assess how the DRPT gathers, uses and disseminates information.

**5. Monitoring**

Document and assess the effectiveness of the DRPT's monitoring activities.

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

**1. A complete description of each significant fiscal process including:**

- i. A description of the fiscal processes with examples to pertinent process documents
- ii. Policies and procedures governing the process
- iii. Computer information systems used to support the process

**2. A risk assessment of each significant fiscal process including:**

- i. Identification of potential events or conditions that could have an impact on the functioning or outcome of the process
- ii. An assessment of the likelihood of the events and impact of the events on the DRPT
- iii. A description of the associated agency risk responses

**3. An internal control evaluation and control tests including:**

- i. A description of the control activities in place to accomplish the related control objectives for the business process
- ii. Documentation of the methods used to test the effectiveness of the fiscal process control activities and the results of those tests

**Activity-level Test of Controls**

The types of testing techniques that will be used include:

- **Inquiry and focus groups** – this type of tests serves two main purposes (1) it confirms the understanding of the design of the control and (2) helps identify exceptions to your stated control procedures



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### Proposal to Serve Virginia Department of Rail and Public Transportation

- **Tests of transactions** – this will include the examination of documentation that the control was properly performed
- Reconciliations
- Observation

For information technology controls, we perform testing of the general and application level controls, as necessary, to ensure that the controls are operating effectively and that they are consistent with the documented control design.

### Stage 3 – Corrective Action Plans

1. Summary description of the deficiency in internal control
2. When the deficiency was identified
3. A target date for completion of corrective action in consultation with appropriate DRPT office personnel
4. Indicators or statistics used to gauge resolution progress
5. A quantifiable target or qualitative characteristics that will indicate that the deficiency in internal controls has been corrected
6. Identification of personnel responsible for monitoring progress

## 2. DRPT Statement of Needs Element: Financial Planning and Analysis

It is understood that the following tasks will be requested at the discretion of DRPT and the scope will be subject to negotiation at the time the task order(s) is issued. However, CB&H and its subcontracting Firm have separately addressed each of the identified Financial Planning and Analysis requirements in the Statement of Needs with the following proposed approaches:

*a) 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).*

The approach to addressing this requirement will include, but not limited to, the following:

- a. Review of the latest DRPT Strategic Review, and resulting business plan and related materials.
- b. Review the recent history of Commonwealth legislation bearing on the mission and responsibilities of the DRPT, including HB 3202 and its provisions supporting rail preservation and enhancement
- c. Review other significant transportation plans, including initiatives bearing on the DRPT found within the Six Year Improvement Program and the plans of regional or area specific governments and groups that represent the Department's constituency and/or serve as grantees under Department grant awards.
- d. Review current methods and procedures used by the DRPT to generate proposed amendments to the Appropriation Act, budget proposals to the Governor and the Department of Planning and Budget, requests for Federal funding and other financial plans and submissions.



- e. Review the specific requirements associated with the Federal Transit Administration's (FTA) New Starts Program and related Federal capital investment grants.

Understanding the various requirements and stipulations associated with grant awards to the DRPT, CB&H and its subcontracting Firm will identify common and efficient solutions for the on-going need of the Department to establish financial plans.

*b) Conduct operational planning including analysis of operating budgets, and revenue estimates for DRPT grantees.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Review of current DRPT "pre-award" procedures and communications with grantees.
- b. Review of current DRPT "post-award" procedures and communications with grantees.
- c. Review of current selected grantee award files to determine scope, content, format, and consistency of grantee records
- d. Consider, based on required or suggested Federal grants management practices, and the experience of CB&H and its subcontracting Firm, specific revisions and amendments to DRPT contractual requirements with its grantees relating to planning, budgeting for DRPT funds in conjunction with other grantee activities, and the basis for revenue estimates provided by grantees.
- e. Develop recommendations that will assist the DRPT in conducting on-going reviews of grantee plans, progress, financial status, and compliance, with particular focus on:
  - i. The initial and on-going solvency of the grantee,
  - ii. The reasonableness of grantee staffing and expenditures for goods, services, and capital investments.
  - iii. The timeliness of grantee reporting.

*c) Develop/review financial forecasts for DRPT and its grantees for both operational and capital needs*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Review current practices utilized by the DRPT for accumulating data utilized in preparing financial forecasts, including date and communications linkages with grantees.
- b. Review current practices utilized by the DRPT for generating financial forecasts, including the features of currently utilized software and the ability to generate alternative, or "what if" scenarios.
- c. Determine the adequacy, relative to Federal grant administration requirements and best practices observed by CB&H and its subcontracting Firms, of DRPT efforts to critically assess the reliability and essential quality of data submitted to it by grantees and subsequently utilized in preparing financial forecasts.



- d. Review the current practices of the DRPT in providing on-site, or remote, technical assistance to its grantees to assist in ensuring their submission of acceptable data and information.
- e. Identify and recommend to the DRPT opportunities for improving its financial forecasting procedures, including opportunities to adopt efficient and reliable software for data collection, analysis, and report generation, and opportunities to strengthen technical assistance provided to grantees.

*d) Conduct financial due diligence of the agencies' grantees or project partners.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Review the consistency with which Federal grantors include references to, or excerpted requirements from, applicable OMB Circulars in their grant award documents and contractual agreements with the DRPT
- b. Review the adequacy with which the DRPT currently incorporates the requirement of applicable OMB Circulars within its contractual agreements with its grantees and project partners.
- c. Review the manner in which specific compliance requirements established by the Code of Virginia, the policies of the Commonwealth Transportation Board, the policies of the DRPT, or other authoritative policies and requirements of the Commonwealth are communicated to grantees and project partners in contractual agreements.
- d. Review the means and methods by which the DRPT communicates with its grantees, especially when it is advising the grantees and project partners of their need to address deficiencies and to take corrective actions—and the current extent to which such communications produce the required result and prevent a reoccurrence of such deficiencies.
- e. Identify and recommend methods for strengthening, where required, “due diligence” procedures and technical assistance to grantees and project partners.

*e) Review existing agreements/contracts from the financial perspective and develop new agreements that address public benefit measures and contingent interests.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Consideration of this requirement in conjunction with information gathered, observations, and findings from conducting actions set forth above in response to earlier individual DRPT needs.
- b. Review selected agreements and contracts to determine the existence, scope, creativity, and relevance of output, outcome, and other performance measures that are formally incorporated in such agreements.
- c. Review how selected measures were created and compare and contrast those findings with the “criteria” recommended by the staff of the Governmental Accounting Standards Board (GASB) in its publication entitled, “Reporting Performance Information: Suggested Criteria for Effective Communication.” Conduct research, utilizing data bases created by the GASB, into performance



measures that may have been utilized by agencies and programs of other states that have a relationship to the work of the DRPT.

- d. Conduct discussions with DRPT leadership and staff on recent developments in communicating with citizens about the performance of government programs, including, but not limited to, recent proposal of the Association of Government Accountants for the adoption of "Citizen Centric Reports."
- e. Identify and recommend approaches that would improve the use, relevance, understandability, and receptivity of performance measures, performance standards and/or goals used in association with grantee programs supported by the DRPT.

*f) 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.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Consideration of this requirement in conjunction with information gathered, observations, and findings from conducting actions set forth above in response to earlier individual DRPT needs.
- b. Identification and review of all policies and procedures applicable to the DRPT established by the Appropriation Act, and requirements established by the Commonwealth's Department of Human Resources Management, and the Department of Accounts, as they relate to the employment and payment of staff, the procurement of goods and services, and the payment of goods and services.
- c. Identify and review capital outlay and construction management policies and practices of the Commonwealth to determine which, if any, requirements should be incorporated into agreements and contracts with grantees.
- d. Determine how grant requirements should best be tailored to fit the circumstances of "formula driven grants" and "capital grants."
- e. Identify and recommend modifications to the policies and procedures that will result in a robust, repeatable, and sustainable approach to the monitoring of grantees, to promote their:
  - i. Achievement of grant programmatic objectives
  - ii. Compliance with DRPT requirements, including those that are based on Federal and Commonwealth compliance requirements.
  - iii. Timely submission of financial and other accountability reports and information.



*g) Analyze and assist with the development of revenue and cash management practices of DRPT.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Create a matrix of how the budget development calendar of the DRPT relates to a selected sample of grantees and to the Federal government in order to determine how these calendars impact the planning for cash disbursements and drawdown.
- b. Identify problems occurring within the current and past fiscal year with grantees not executing expenditure of grant funds on a timely basis and causing Federal and Commonwealth funds to be unexpended by year end.
- c. Review the policies and procedures of the State Treasurer as they bear on the responsibilities of the DRPT for the collection and recordation of cash.
- d. Review the policies of the State Comptroller as they bear on the responsibilities of the DRPT for the billing and collection of revenues from the Federal government and the request and recordation of transfers from the Commonwealth Transportation Board, the Virginia Department of Transportation, and other State agencies from which the Department draws resources.
- e. Review quarterly reporting of the status of accounts receivable by the DRPT to the Department of Accounts, noting amounts that are past due and Department efforts to address those accounts.
- f. Review with the Office of the State Comptroller, the Commonwealth's compliance with the Federal Cash Management Improvement Act of 1990 to determine if the DRPT is drawing down funds from the Federal government in conformance with the provisions of the Act and its administrative regulations.
- g. Identify and recommend changes and improvements that would allow the DRPT to strengthen its ability to forecast needed disbursements and draw downs so that both would occur timely and in conformance with Commonwealth and Federal cash management policies.

*h) Prepare/review cash flow forecasts for DRPT or for certain projects in which DRPT is a funding participant.*

The approach to addressing this requirement will include the, but is not limited to, the following:

- a. Consideration of this requirement in conjunction with information gathered, observations, and findings from conducting actions set forth above in responses to earlier individual DRPT needs.
- b. Identify best practices for forecasting cash flows for grant receiving and disbursing agencies.
- c. Identify available software and technology tools that would be more efficient and serviceable than any now used by the DRPT.
- d. Assist the DRPT in upgrading its cash forecasting procedures and in adopting new technologies.
- e. Assist the DRPT through one cycle of using new procedures and tools that may be adopted.



### **3. DRPT Statement of Needs Element: Other Financial Services**

*a) Conduct financial compliance reviews of DRPT grant or project agreements.*

#### **Compliance program design and implementation**

During the last contract period, CB&H, along with KPMG assisted DRPT with the design and implementation of a compliance program for DRPT sub-grantees. The program has been updated periodically; however, as we begin a new contract period, CB&H proposes to perform a comprehensive review of the compliance program and evaluate whether DRPT's objectives are being met, and what improvements to the process can be made in order to improve operating results.

The approach to addressing this requirement will include the following:

- a. Review of current DRPT "pre-award" procedures and communications with grantees.
- b. Review of current DRPT "post-award" procedures and communications with grantees.
- c. Review of current selected grantee award files to determine scope, content, format, and consistency of grantee records
- d. Consider, based on required or suggested Federal grants management practices, and the experience of CB&H and its subcontracting Firms, specific revisions and amendments to DRPT contractual requirements with its grantees relating to planning, budgeting for DRPT funds in conjunction with other grantee activities, and the basis for revenue estimates provided by grantees.
- e. Review the risk assessment process that identifies proportionate risks associated with grantee compliance.
- f. Develop recommendations that will improve the DRPT compliance program relating to grantee plans, progress, financial status, and compliance, with particular focus on availability of financial and OMB A-133 audit reports for grantees.
- g. Update grantee financial review "audit" programs to test compliance with high risk areas.

#### **Grantee Financial Compliance Reviews**

We will conduct grantee financial compliance reviews under the direction of the Internal Auditor. Such efforts will be coordinated by W. R. Gay, Senior Manager in our Richmond office. He will coordinate review teams from our other Virginia offices including Virginia Beach, Northern Virginia and Lynchburg in order to provide the maximum level of coverage in a cost-effective manner.

We will schedule our field work in advance and with sufficient notice to the Internal Auditor. Once our field work is completed, we will prepare and submit a draft letter of findings and recommendations within 21 days of field work.



*b) Other work of a nature consistent with the intent of the RFP.*

We will be prepared to perform other work as needed that is consistent with the RFP. Our proposal to manage the process of coordinating the activities of CB&H and its subcontractors is described below.

**Coordination of Effort among Sub-Contractors**

We believe that our subcontractor partners each bring key resources and abilities to our engagement team. However, the challenge, and the key to success for this contract, will be the management of our resources. We will ensure that everyone knows what their respective responsibilities are for a given project(s), and a comprehensive process for monitoring our progress for each task will be in place.

We affirm that CB&H, as the prime contractor, assumes overall responsibility for the quality and timeliness of work performed by its subcontractors. In addition, from the point of view of DRPT, it is imperative that there is a key individual identified as the “go to” person - the main contact for a given task. To ensure efficient coordination and application of our talents and resources, the following CB&H management team has been established:

- **Russell Coleman, Engagement Partner** – Russell has overall responsibility for assuring that we exceed your expectations regarding the delivery of our services. He is based in Richmond and is readily available to meet with DRPT regarding planning and scheduling matters.
- **WR Gay** – ARMICS compliance, Compliance program design and Grantee financial compliance reviews
- **Frank Spasoff** – Financial Planning and Analysis

As work is assigned, we will appoint a CB&H project manager to coordinate the day-to-day activities and staff for a given project. This process will start at the negotiation stage for each task order, at which time the subcontractor and staff will be identified, and a budget with estimated hours will be prepared. As the job progresses, periodic updates of the status of the work and the participation of each subcontractor will be provided.



**The Firm of Choice.**

**Proposal to Serve Virginia Department of Rail and Public Transportation**

**Tab 2. Experience and Qualifications**

**Firm Overview**



Established in 1947, Cherry, Bekaert & Holland, L.L.P. (CB&H) has grown to become one of the nation's largest accounting and consulting firms. With a staff complement of nearly 1,000 people, CB&H distinguishes itself by offering the highest caliber of personal attention, responsiveness, and accessibility our clients expect and deserve — combined with the specialized talent and resource depth needed to meet their business and financial objectives.

**Local Service Commitment**



For over 60 years, CB&H has provided superior service to thousands of Virginia-based businesses. Our local Richmond office has served as CB&H's Firm Headquarters since 1988. We value the professional and personal relationships we have developed throughout our history of service to the community. DRPT will continue to benefit from our local service commitment with numerous professionals ready to meet and exceed your client service expectations.

**Subcontractor Partner: Holland and Brown, LLP**

An accounting firm known for the quality of its service, Holland and Brown provides outstanding service to their clients. They are committed to providing accurate, relevant advice and the highest quality service to meet clients' accounting and tax needs.

Their services and experience includes all matters of accounting and taxation, IRS problem resolution, business formation, financial planning and investment, real estate and business sales.

**Experience Serving Government Entities**



**Government Services**

For CB&H, the coordination and allocation of resources and talents is accomplished through the Government Services Group (GSG). The GSG is responsible for assuring seamless service delivery, quality control and continuing education for government engagements throughout the Firm. The commitment of the Firm to government service is demonstrated by our sustained growth in this practice area as well as the depth of experience of personnel in this group. As a result of this commitment, our personnel have extensive knowledge of the methods and techniques applicable to government auditing, and have applied this knowledge successfully for many clients. Currently, over 120 professionals provide services to government entities.

CB&H is committed to providing auditing and consulting services to governmental organizations. As mentioned previously, we audit more than 150 local governments, authorities and public agencies throughout the Southeastern U.S. Our current government Virginia clients include the following entities.



**The Firm of Choice.**

**Proposal to Serve Virginia Department of Rail and Public Transportation**

**Virginia Governmental Clients**

<u>Local Government</u>	<u>Services</u>	<u>Annual Budget</u>	<u>Audit Hours</u>	<u>Years Served</u>
Prince William County and Schools	Audit, GFOA Cert.	1.1 B	2,800	1
City of Richmond and Schools	Audit, GFOA Cert.	800 M	1800	1
Stafford County	Audit, GFOA Cert.	400 M	1,100	2
Hanover County and Schools	Audit, GFOA Cert.	389 M	800	10
York County and Schools	Audit, GFOA and ASBO Cert.	235 M	815	8
City of Charlottesville and Schools	Audit, GFOA Cert.	140 M	1,200	4
City of Virginia Beach and Schools	Audit, GFOA, ASBO Cert.	2.5 B	1,500	9
City of Chesapeake and Schools	Audit, GFOA Cert.	1.3 B	1,200	4
City of Portsmouth and Schools	Audit, GFOA, ASBO Cert.	230 M	2,150	6
City of Hampton and Schools	Audit, GFOA Cert.	435 M	2,200	4
City of Poquoson and Schools	Audit, GFOA Cert.	25 M	500	3
City of Hopewell and Schools	Audit	70 M	700	1
City of Newport News and Schools	Audit, GFOA Cert.	1.0 B	1,800	8 (City), 3 (Schools)
Loudoun County and Schools	Audit	<i>New in 2012</i>		

**Authorities, Boards, Commissions**

Prince William County Park Authority
Upper Occoquan Sewage Authority
Henrico Economic Development Authority
Central Virginia Waste Management Authority
Newport News Industrial Development Authority
Virginia Beach Economic Development Authority
Capital Region Airport Commission (RIC Airport)
Bell Creek Community Development Authority
Richmond Metropolitan Authority
Fort Monroe Authority
City of Portsmouth Economic Development Authority
Portsmouth Port and Industrial Commission



We also serve a significant number of government entities throughout the southeast. Below is a listing of recent and current clients served.

**Government Clients**

**Cities and Towns**

- City of Augusta, GA
- City of Charlottesville, VA
- City of Charlotte, NC
- City of Chesapeake, VA
- City of Fayetteville, NC
- City of Ft. Myers, FL
- City of Greensboro, NC
- City of Haines City, FL
- City of Hampton, VA
- City of Newport Beach, FL
- City of Newport News, VA
- City of North Port, FL
- City of Pinellas Park, FL
- City of Poquoson, VA
- City of Portsmouth, VA
- City of Raeford, NC
- City of Raleigh, NC
- City of Richmond, VA
- City of St. Petersburg, FL
- City of Stuart, FL
- City of Virginia Beach, VA
- City of Winston Salem, NC
- Town of Cary, NC
- Town of Denton, MD
- Town of Herndon, VA
- Town of Eatonville, FL
- Town of Fuquay-Varina, NC
- Village of Islamorada, FL

**Counties**

- Charlotte County, FL
- Cumberland County, NC
- Durham County, NC
- Forsyth County, NC
- Guilford County, NC
- Hanover County, VA
- Hillsborough County, FL
- Martin County, FL
- Mecklenburg County, NC
- Monroe County, FL
- Orange County, FL
- Montgomery County, MD
- Prince William County, VA
- Randolph County, NC
- Stafford County, VA
- Wake County, NC
- York County, VA

**Authorities, Commissions and Agencies**

- Appalachian Electric Cooperative, TN
- Central Florida Regional Transit Authority (LYNX)
- Central Virginia Planning County Commission, VA
- Central Virginia Waste Management Authority, VA
- City of Atlanta/Fulton County Recreation Authority, GA
- City of Augusta Water Works, GA
- City of Hapeville Development Authority, GA
- City of Morrow Business & Tourism Association, GA
- Charlotte-Douglas Airport, NC
- Chesapeake Redevelopment & Housing Authority, VA
- Cleveland County Sanitary District, NC
- Columbia County Water & Sewer System, GA
- Eastern Band of the Cherokee Indians
- Fayetteville Convention & Visitors Bureau, NC
- Fayetteville Public Works Commission, NC
- Greensboro Housing Development Partnership, NC
- Greenville Utilities Commission, NC
- Greer Commission of Public Works, SC
- Hartsfield International Airport, GA
- Hartsfield-Jackson Development Program, GA
- Hillsborough Transit Authority (HART)
- Johnston County Housing Authority, NC
- Moore County Airport Commission, NC
- Norfolk Redevelopment and Housing Authority, VA
- North Carolina Independent Housing Authority, NC
- North Carolina Eastern Municipal Power Agency, NC
- North Carolina Municipal Power Agency No. 1, NC
- Office of the Secretary of State, GA
- Orlando-Orange County Expressway Authority, FL
- Orange County Library District, FL (2001 to Present)
- Orange County Housing Finance Authority
- Orlando Utilities Commission, FL
- Pitt Greenville Convention and Visitors Bureau, NC
- Portsmouth Housing Development Corporation, VA
- Raleigh Durham Airport Authority, NC
- Randolph Electric Membership Cooperative, NC
- Richmond County Water/Sewer, GA
- Richmond International Airport, VA
- Richmond Redevelopment Authority, VA
- Shepperd Memorial Library, NC
- State of Florida
- Tampa Bay Regional Planning Council, FL
- Fulton-DeKalb Hospital Authority, GA
- York County Economic Development Authority



## **Internal Control Consulting Services**

**Virginia Department of Transportation** – The Virginia Secretary of Transportation requested an operational and programmatic performance audit focusing on the Virginia Department of Transportation (VDOT). The purpose of this audit was to provide an objective and independent cost savings assessment of the Commonwealth's organizational structure and the efficiency and effectiveness of the Commonwealth's transportation programs. This assessment will provide information to the Governor and the General Assembly on ways to reduce duplication of effort and implement cost savings measures and programmatic efficiencies in the operation of VDOT's transportation programs.

**Commonwealth of Virginia Comptroller's Office.** The Comptroller's Office released a directive very similar to OMB Circular A-123 called Agency Risk Management and Internal Controls (ARMICS). The directive requires all State agencies included in the State's financial statements to certify that they have documented and assessed internal controls and performed tests of their operation to ensure that they are operating effectively. Mr. Montoro lead the effort to assist several agencies to document controls, perform risk assessments, develop and execute a test plan, summarize findings and prepare corrective action plans. Agencies assisted by CB&H included the Virginia Community College System, the Department of Rail and Public Transportation, the State Council on Higher Education, the Virginia Resources Authority, and the Science Museum of Virginia.

**Montgomery County, County-Wide Risk Assessment, MD.** Perhaps the most significant report of the FY 2010 audit year was the completion of the first ever, comprehensive, County Wide Risk Assessment and Multi-year Audit plan for the Executive Branch Departments in May 2010. This Engagement reviewed the operating environment of all the Executive Branch Departments The objective was to determine where the greatest vulnerabilities and challenges exist to form the basis of a comprehensive multi-year audit plan to address the most significant risks. The scope of this analysis applied to annual expenditure for Executive Branch Departments of approximately \$1.8 billion along with a six year capital improvement program associated with the executive branch in excess of \$1.8 billion. A three year audit program was submitted as part of the report.

**Montgomery County, Department of Finance, MD.** CB&H performed an engagement which provided an internal control risk assessment for the Treasury Division of the Department of Finance of Montgomery County, MD. The purpose of the engagement was to determine control gaps and vulnerabilities for the revenue collection processes at the County with particular attention to the real and personal property tax billing and collection processes. Montgomery County, MD collects upwards of \$1.4 billion in Real and Personal Property taxes and \$165 million in tar and recordation taxes annually. CB&H applied a comprehensive review and analysis framework to the work. After gaining an understanding of the mission and processes of the Treasury area we were able to determine that the risk assessment should focus on thirteen key process areas and seventeen sub-process areas. We reviewed all available policies and procedures, internal control documentation and financial reports relating to these areas. We interviewed key staff in each of the process areas with the goal of understanding the process and identifying the risks. We applied the COSO (Committee of Sponsoring Organizations) framework in making our risk assessment and assessed Montgomery County's control environment, risk assessment process, control activities, information and communication systems and monitoring process. We analyzed each risk by Likelihood of impact and magnitude of impact. We prepared a matrix noting the Deficiency, the risk, its impact, the reasons for the assessment and our recommendations for improvement. We then produced a comprehensive report detailing the internal control risks found, assigning a level of risk and setting forth recommendations for mitigating the risks.



**Cumberland County Health Department, NC.** CB&H provided internal control assessment procedures as part of the County's efforts to identify potential internal control weaknesses in the County's Health Department that can adversely affect the County's operations and activities. As part of this engagement, we performed interviews and surveys with selected members of the County and key management personnel. Our interviews and surveys focused on the identification of control risk and how the County addresses such risks. We also reviewed the policies and procedures for the Health Department for completeness and reasonableness and obtained an understanding of the internal controls in place in the Health Department. Based on our procedures, CB&H issued a report that presented key internal control weaknesses in the Health Department and recommendations that may be implemented to address such risks.

**Town of Cary, NC.** CB&H performed risk assessment procedures as part of the Town's efforts to identify potential risks that can adversely affect the Town's operations and activities. This process included an identification of selected operational areas and a series of interviews and surveys with management and other various Town employees. Our interviews and surveys focused on the identification of risks through consideration of risk factors common to operating environments and how the Town addresses such risks. The engagement also included an evaluation and analysis of risks identified, including assignment of relative importance (based on likelihood and impact), based on our review of organizational and financial data, review of relevant correspondence and our interviews with Town employees and management personnel. Based on this CB&H issued a report that presented key risks identified by operational area and potential enhancements that may be implemented to address such risks.

**Orange County, NC.** CB&H assisted with documenting selected operating cycles as part of the County's efforts to comply with Statement on Auditing Standards 109 for fiscal year end June 30, 2008. We documented the property tax, payroll, purchasing, disbursement, receipt, food stamp, Medicaid, and budgeting cycles. This process required that we conduct interviews with management and other various County employees in order to obtain the information necessary to document these processes. At the conclusion of this process, we issued a report to the County which documented the cycles from origination to completion and also included the material monitoring controls that were in place for each cycle.

**Columbia County Board of Education, Georgia.** We evaluated the effectiveness of the County's internal controls at both the administrative offices and individual school activity accounts. We also provided internal audit outsourcing services to the County during a transitional period.

**Augusta-Richmond County Consolidated Government, Georgia.** CB&H performed significant internal audit functions, which included identification and testing of all county and related entity cash accounts. We also evaluated the internal control safeguards and reconciliation process.



**The Firm of Choice.**

**Proposal to Serve Virginia Department of Rail and Public Transportation**

**Transportation Agency Experience**

<b>Client</b>	<b>Department of Rail and Public Transportation, Richmond, VA</b>
<b>Client Description</b>	As a state agency reporting to the Secretary of Transportation, DRPT works closely with VDOT, which is responsible for highways, as well as other transportation agencies responsible for aviation and ports. Each of DRPT's three primary areas of activity (rail, public transportation, and commuter services) focus on the movement of people and goods throughout Virginia.
<b>Scope of Services</b>	<p><b>Quality Control Reviews.</b> DRPT is a state agency that disburses over \$300M in state and federal pass-through grant funding annually. CB&amp;H worked with the newly established office of external audit to design a quality control compliance review program for DRPT's grant recipients. Once policies and procedures were established, CB&amp;H audit teams have gone out and performed on-site quality reviews of selected grant recipients.</p> <p><b>Internal controls (ARMICS).</b> CB&amp;H assisted DRPT with compliance of the Office of the Comptroller's Directive 1-07, "Required Implementation of Agency Risk Management and Internal Control Standards" (ARMICS). Similar to OMB Circular A-133 for federal agencies, it requires all agencies of the Commonwealth of Virginia to certify that they have documented entity and process controls, performed risk assessments and SWOT analyses, identified and test key controls and certify to the Comptroller that the controls are working effectively.</p>

<b>Client</b>	<b>Metropolitan Atlanta Rapid Transit Authority (MARTA), Atlanta, GA</b>
<b>Client Description</b>	MARTA is a public body corporate and joint public instrumentality of the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett by action of the General Assembly of the State of Georgia for the purposes of planning, constructing, financing and operating a public transportation system to serve metropolitan Atlanta.
<b>Scope of Services</b>	<p><b>Financial and Compliance Audits.</b> CB&amp;H has performed audits of the financial statements and the expenditures of federal awards in accordance with Government Auditing Standards. Additionally, CB&amp;H as performed the FTA agreed upon procedures related to MARTA's NTD Statistics.</p> <p><b>Performance Audits.</b> CB&amp;H has performed management audits in accordance with MARTA's state operating requirements. The overall objective of the audit was to perform an assessment of whether MARTA has the organization, processes and systems in place to assure that:</p> <ul style="list-style-type: none"> <li>• MARTA is operating effectively and efficiently;</li> <li>• MARTA funds are expended efficiently and economically, so as to secure to MARTA the maximum benefit possible from the various sources of revenue; and</li> <li>• MARTA is operating in compliance with all applicable laws and regulations. Each year CB&amp;H reviews MARTA's entity level controls, as well as several operating departments.</li> </ul> <p><b>Financial Projection Review.</b> As a special project we performed certain agreed-upon procedures to substantiate and verify certain assumptions and calculations in MARTA's financial projection for fiscal years 2009 to 2012.</p>



**The Firm of Choice.**

**Proposal to Serve Virginia Department of Rail and Public Transportation**

<b>Client</b>	<b>Department of Transportation- Federal Transit Authority (FTA)</b>
<b>Client Description</b>	FTA is one of 11 operating administrations within the U.S. Department of Transportation; the FTA provides stewardship of combined formula and discretionary programs totaling more than \$10B to support a variety of locally planned, constructed, and operated public transportation systems throughout the United States. Transportation systems typically include buses, subways, light rail, commuter rail, streetcars, monorail, passenger ferry boats, inclined railways, or people movers.
<b>Scope of Services</b>	<p><b>Financial Management Audits.</b> CB&amp;H and Destiny Management Services performed financial management audits (FMOs) for transportation agencies throughout the country. The focus of these program reviews is compliance with financial, program and administrative controls of the various operating and capital grants provided by the FTA.</p> <p>As part of this work, CB&amp;H reviewed the expenditure of grant funds in conformance to the rules and regulations issued by OMB (Circular A-102) surrounding the issuance of the grants, commonly referred to as the "Common Rule" and reviewed the grant expenditures for proper authorization and accuracy. In order to evaluate the grantee's financial management systems, CB&amp;H reviewed internal controls in accordance with applicable AICPA professional standards and reviewed the cost of labor materials allocated to the FTA grant programs.</p> <p>CB&amp;H performed indirect cost allocation plan reviews of plans submitted to FTA by grantees for approval by FTA as the cognizant agency. The purpose of these reviews is to determine whether the methodology for allocating indirect cost to Federal grants is calculated in a manner consistent with the applicable OMB Circular (A-87 and A-122) guidance.</p>

<b>Client</b>	<b>Central Florida Regional Transportation Authority d/b/a LYNX</b>
<b>Client Description</b>	LYNX is officially known as the Central Florida Regional Transportation Authority, in charge of coordinating public transportation for Orange, Osceola and Seminole Counties.
<b>Scope of Services</b>	During 2004, CB&H conducted an enterprise risk assessment, suggested an internal audit plan and recommended an internal audit structure for Central Florida Regional Transportation Authority d/b/a LYNX. Our analysis was included an identification of auditable areas and a series of interviews with members of the Board of Directors and key management. It also included consideration of the relative size of operations and financial and operational analysis for each auditable area, ultimately providing for the stratification of audit areas by level of risk. CB&H has also served as external auditors for LYNX financial statements since 2005.

<b>Client</b>	<b>Hillsborough Area Regional Transit Authority (HARTline)</b>
<b>Client Description</b>	HART serves the people of Hillsborough with affordable public transportation, services are designed with today's commuter in mind, from convenient bus services, to In-Town Trolleys, money-saving vanpools, park-and-ride services and more.
<b>Scope of Services</b>	CB&H has the contract for all out-sourced internal audit projects, including both financial and compliance and performance audits. A recent project entailed a review of the risk management function.



## **Trend Analysis in Financial Strategic Planning**

Managing in today's economy has become increasingly challenging. Understanding the potential impact of planned transactions, economic outlook and both internal and external risk factors is critical to financial decisions and planning. Our trend analysis and strategic financial planning team aids management in planning for the future by understanding the impact of the recent past.

We apply ratio analysis to the events and decisions of the recent past to facilitate an understanding of the impact of those events and decisions on current financial condition. Management and governing bodies develop goals, with or without our coaching for key indicators of liquidity, asset condition, debt management and operational performance. The same measurements are then applied to managements projected financial statements, developed from the planning process, to determine if management's plans are reasonable and will achieve the desire effect.

Our process begins with identification of the key financial indicators relevant to a client's industry. The indicators are applied to the most recent five to seven years' financial statements and an analysis of the decisions, major transactions and external factors that resulted in favorable or unfavorable trends are identified. From the results, management considers future opportunities, capital and infrastructure needs and the impact of the economic outlook on operating and capital costs in developing a short and long term financial plan. Our team facilitates a practicality and reasonableness discussion of management's plans. Management then develops prospective financial statements for the planning period, to which are applied the same financial ratios to determine if management's plans will achieve the desired results.



## **Engagement Team Qualifications and Experience**

### **Engagement Team**

#### **Russell Coleman, CPA – Engagement Partner**

##### **Relevant Experience**

- Greer Commission of Public Works
- Metropolitan Sewerage District of Buncombe County, NC
- Piedmont Municipal Power Agency
- Cleveland County Water
- Public Library of Charlotte and Mecklenburg County, NC
- Mecklenburg County, NC
- Knox County, TN
- City of Oak Ridge, TN
- City of Belmont, NC
- Eastern Band of the Cherokee Indians

As engagement partner, Russell will be responsible for the overall audit engagement. He will coordinate the right resources at the right time to best serve your needs. He offers innovative business advice and high-quality, proactive service.

Russell has more than 30 years of experience in public accounting and has been a Partner at CB&H for over 20 years. He has extensive audit experience in serving public entity clients with A-133 audit requirements and has managed Single Audit engagements and Agreed-Upon-Procedures engagements where identifying and testing effectiveness of internal control was a requirement of the engagement.

Russell recently relocated to Richmond from Charlotte where he served as the Firm's partner-in-charge of Governmental Services Group for Western North Carolina.

Russell received his Bachelor of Science in Accounting from the University of South Carolina. He is a frequent presenter both at

internal CB&H education courses and seminars offered to clients and other area public entities and organizations. He is a member of the American Institute of Certified Public Accountants (AICPA).

#### **W.R. Gay, CPA – Manager**

##### **Relevant Experience**

- Department of Rail and Public Transportation
- City of Newport News, VA
- Hanover County, VA
- Stafford County, VA
- City of Richmond, VA Public Schools
- Commonwealth of Virginia
- GFOA Certification Experience

WR is a Certified Public Accountant with more than 15 years of diverse experience providing auditing, management, internal control and accounting services to governmental entities.

He is a member of CB&H's Government Services Group and specializes in internal control and compliance reviews. WR also manages and conducts test work on Single Audits of local governments, including the Hanover County, City of Newport News and Newport News Public Schools, Stafford County, and City of Richmond Public Schools.

Prior to joining CB&H, WR performed audits of various State Agencies for the Virginia Auditor of Public Accounts.



WR is a former U.S. Navy Lieutenant and Surface Warfare Officer. He served in the Navy for eight years before pursuing a degree in accounting. He has a Bachelor of Science in Business Administration from the University of North Carolina at Chapel Hill, and a Post-Baccalaureate Certificate in Accounting from Virginia Commonwealth University.

### **Chris Edmunds, CPA – Audit Senior**

#### **Relevant Experience**

- Department of Rail and Public Transportation
- City of Charlottesville
- City of Hopewell
- Capital Region Airport Authority
- Upper Occoquan Service Authority

Chris is a Certified Public Accountant with over three and a half years of audit and accounting experience.

Chris joined CB&H as an intern in the summer of 2006, interning for two summers, and became a full-time staff after graduation in August of 2008. He has had significant experience serving governmental entities.

Chris has a B.B.A and a Masters of Science in Accounting from James Madison University. He is a member of the Virginia Society of Certified Public Accountants (VSCPA) and the American Institute of Certified Public Accountants (AICPA). He is also a former member of the VSCPA Young Professionals Advisory Council.

### **Ryan Holman, CPA – Audit Senior**

#### **Relevant Experience**

- Department of Rail and Public Transportation
- Virginia Department of Transportation
- City of Charlottesville
- City of Newport News

As a Certified Public Accountant in the Richmond office of CB&H, Ryan performs work on financial reports, key audit areas, state and other compliance reporting and ensures regular communication between client and engagement team.

He joined Cherry, Bekaert & Holland as an intern in 2008 and became full-time after graduation in 2009. Since becoming full-time Ryan focused his experience serving government entities. This experience includes annual audits, single audits and state compliance for the City of Newport News and Schools, VA; the City of Charlottesville Visitor's Bureau; Capital Region Airport

Commission; Central Virginia Waste Management Authority and the Bell Creek CDA. He has also assisted with performance audits for the Virginia Department of Transportation and Montgomery County, MD as well as compliance audits for the Virginia Department of Rail and Public Transportation.

Ryan received a Bachelor of Business Administration with a major in Accounting from James Madison University and Master of Accountancy Virginia Commonwealth University. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Virginia Society of Certified Public Accountants (VSCPA).



### **Kai Sommer, CPA – Audit Staff**

#### **Relevant Experience**

- Department of Rail and Public Transportation
- City of Charlottesville
- City of Hopewell
- City of Newport News

Kai joined Cherry, Bekaert & Holland in 2009 and has gained significant experience in financial audits of State and Local governments in compliance with Generally Accepted Government Auditing Standards (GAGAS) and agreed-upon-procedures (AUP) related to state compliance.

He received both a Bachelor and Master degree in English from Virginia Commonwealth University. Kai also holds a Masters of Accounting from William and Mary College.

### **Neal Beggan, CISA – Senior IT Manager**

#### **Relevant Experience**

- Prince William County, VA
- City of Charlottesville, VA
- City of Portsmouth, VA
- City of Hampton, VA
- City of Newport News, VA
- Hanover County, VA
- Montgomery County, MD

Neal is an Information Technology Senior Audit Manager in the Information Technology Audit Group (ITAG) of CB&H. With the professional designation as a Certified Information Systems Auditor (CISA), he has over ten years of IT audit, consulting and compliance experience including planning, managing and performing information technology reviews for compliance with Sarbanes-Oxley (SOX) 404, FISCAM, FFMIA, JFMIP, OMB A0123, OMB A-130 and SAS 70 requirements to Federal, state, and local governments, as well as private sector businesses.

Prior to joining Cherry, Bekaert & Holland, Neal worked at an international accounting and management firm as an IT manager where he was responsible for managing Sarbanes-Oxley 404 assistance projects for accelerated and non-accelerated filers across numerous industries. He 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 the design and implementation of baseline IT processes and controls and streamlined IT control processes, reducing the number of key controls, and improving the efficiency of testing the controls.

Neal obtained a Bachelor of Business Administration in Finance with a concentration in Computer Information Systems (CIS) from James Madison University. He is a Certified Information Systems Auditor (CISA) and an Information Systems Audit Control Association (ISACA).



## **Firm-wide Resources**

### **John B. Montoro, CPA – Technical Resource**

#### **Relevant Experience**

- Virginia Department of Rail and Public Transportation
- Prince William County, VA
- City of Virginia Beach, VA
- City of Chesapeake, VA
- City of Newport News, VA
- City of Charlottesville, VA
- City of Hopewell, VA
- Hanover County, VA
- York County, VA

John has been Cherry Bekaert & Holland's lead practitioner in providing government services for over ten years. He has provided audit and other advisory services to numerous government entities throughout his 30-year career, including his most recent role as engagement partner for many of our municipal clients. His extensive professional experience includes annual audits under Government Auditing Standards and OMB Circular A-133, performance and compliance audits for state and federal agencies, forensic audits and case preparation, internal control assessments, and OMB Circular A-87 indirect cost allocation plans.

John holds a Bachelor of Science degree in Urban Planning from the University of Virginia. He is a frequent speaker at regional and national conferences on a variety of topics including accounting standards updates, internal controls and auditing under Government Auditing Standards.

John recently served on the Executive Committee of the AICPA Governmental Audit Quality Center and is Chair-Elect of the Virginia Society of Certified Public Accountants. He is a member and frequent speaker of both the Virginia Government Finance Officers Association (VGFOA) and the Association of Local Government Auditors (ALGA).

### **Eddie T. Burke, CPA – Partner**

#### **Relevant Client Experience**

- Mecklenburg County, NC
- Durham County, NC
- Guilford County, NC
- Cumberland County, NC
- Forsyth County, NC
- City of Charlotte, NC
- City of Greensboro, NC
- City of Winston-Salem, NC
- City of Fayetteville, NC
- Town of Cary, NC
- Randolph County, NC

Eddie is a Certified Public Accountant with over 30 years of experience in public accounting. As an Audit Partner in the Raleigh office, he focuses his practice on providing audit and consulting solutions to governments and not-for-profit clients.

Working with Cherry, Bekaert & Holland for over 28 years, Eddie has been responsible for all aspects of audit and consulting services for large and small government clients. He has significant experience with A-133 compliance auditing, financial statement audits and attestation services, fraud investigations, internal control analysis, accounting policy and procedure development, contract internal auditing and internal monitoring, developing management anti-fraud programs and controls, quality assurance reviews, and training.



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### Proposal to Serve Virginia Department of Rail and Public Transportation

Eddie has served as engagement partner or concurring reviewer for over 50 local government entities during his career, including large cities, counties, school districts, public utilities and various authorities throughout the Southeast. He was actively involved in assisting more than 20 local governments with the implementation of GASB 34. In addition, he has assisted various organizations with obtaining the GFOA Certificate of Achievement for Excellence in Financial Reporting.

Eddie is a graduate of Elon University, and is a valued instructor and speaker for Firm-sponsored public sector updates. He is a member of the American Institute of Certified Public Accountants (AICPA), North Carolina Association of Certified Public Accountants (NCACPA), South Carolina Association of Certified Public Accountants (SCACPA), Florida Association of Certified Public Accountants (FACPA), Government Finance Officers Association (GFOA), North Carolina Government Finance Officers Association (NCGFOA), North Carolina County Finance Officers Association (NCFOA), and the North Carolina Association of School Board Officers (NCASBO). He currently serves on the AICPA Technical Standards Subcommittee, GFOA Special Review Committee and the NCACPA Government Audit Committee.

### John A. Gilberto, CPA – Partner

#### Relevant Experience

- Hillsborough County, Florida
- Sarasota Manatee Airport Authority
- Piedmont Triad Airport Authority
- Multitude of Water and Sewer Authorities

John is a Certified Public Accountant with over 22 years of experience who specializes in providing audit and accounting services to state and local government entities.

As the Director of CB&H's Government Services Group, John has extensive experience providing specialized audit and accounting services to cities, counties, towns, authorities, and boards of education. He focuses his practice on providing clients with a full range of audit and accounting services, including A-133 single audits and preparation of reports that have received the

Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and, for boards of education, the Association of School Business Officials' Certificate of Excellence.

John holds a bachelors degree in accounting from Guilford College and a Masters in Business Administration from the University of North Carolina Chapel Hill.

John has served on the Board of Directors for the North Carolina Association of Certified Public Accountants, the Wake Forest Family Business Center and the Tampa Bay Workforce Alliance. John has authored several articles and is a frequent speaker and instructor at State and local government industry conferences. He is also a member of the American Institute of Certified Public Accountants (AICPA).



## **Frank Spasoff, CPA – Risk Management Partner**

### **Relevant Experience**

- Montgomery County, Maryland
- District of Columbia Government Office of Finance and Resource Management
- QinetiQ North America

Frank is a Certified Public Accountant with 23 years of experience. He focuses his practice on providing internal audit consulting services, SOX 404 compliance, and accounting and auditing.

Prior to joining CB&H, Frank was with Gannett Co., Inc., a Fortune 300 news and information company, where he served as the Director of Internal Audit and was responsible for managing more than 24,000 hours of internal audits annually. He was subsequently promoted to Assistant

Corporate Controller and assigned to serve as global project manager for Sarbanes-Oxley Section 404 compliance. This project involved developing a standardized approach for documenting controls across 150 business units around the world, identifying key controls, monitoring control performances, testing controls and remediating issues as necessary, while coordinating with external auditors. Frank managed an internal audit department of 17 that performed 55-60 audits annually.

Frank received his Bachelor of Science in Accounting and Finance from George Mason University. He recently completed his term as Chair of the George Mason University Accounting Advisory Council. He is a licensed Certified Public Accountant in the State of Virginia. He is a member of the AICPA and the IIA.

## **John D. Richardson, CPA – Senior Manager**

### **Relevant Experience**

- Virginia Department of Transportation
- Orange County, NC
- Electricities

John Richardson is a Senior Manager with Cherry, Bekaert & Holland, L.L.P. (CB&H). He is a Certified Public Accountant in North Carolina with over 20 years of accounting, financial and information technology experience. John delivers all aspects of Sarbanes-Oxley readiness, enterprise risk management, and internal audit services to a variety of organizations.

He received his Bachelor of Science in Business Administration with a Concentration in Accounting from the University of North Carolina at Chapel Hill. He received his Master of Science in Information Technology and Management from the University of North Carolina at Greensboro.

John is a member of the American Institute of Certified Public Accountants, the North Carolina Association of Certified Public Accountants, and the Institute of Internal Auditors.



## **Tara Edwards, CPA – Senior Manager**

### **Relevant Experience**

- Mecklenburg County, NC
- Wake County, NC
- Durham County, NC
- Guilford County, NC
- Cumberland County, NC
- Forsyth County, NC
- City of Greensboro, NC
- Town of Cary, NC
- Randolph County, NC
- Orange County, NC

Tara is a licensed Certified Public Accountant in both North Carolina and Virginia, with more than 12 years of audit and consulting experience. Her experience includes financial audits for Federal agencies and State and Local Governments in accordance with Generally Accepted Government Auditing Standards (GAGAS) and OMB Circular A-133.

Tara is a member of the CB&H Risk Advisory Services group, which focuses on risk management and Information Technology consulting services, including internal control assessment services, such as risk assessments design, operating effectiveness assessments.

She served as the Single Audit team leader for the Mid-Carolina practice in which she developed and delivered workpaper tools and training to audit staff and senior accountants and managers.

Prior to joining CB&H in 2004, Tara worked on several audit engagements with federal government agencies, which included thoroughly documenting, reviewing and testing controls. In this capacity, she spent 6 years working on the audits of the U.S. Department of Health and Human Services (DHHS), specifically the National Institutes of Health (NIH) and the Centers for Disease Control and Prevention (CDC). Tara also assisted the Department of Veterans' Affairs (DVA) in assessing and recommending improvements to their overall accounting and reporting operations related to the loan process and ultimately developed an accounting and reporting handbook to be used by agency personnel. Further, Tara worked with the Federal Communications Commission (FCC) in developing their accounting manual and provided accounting assistance in preparation for their annual audit.

Tara received a Bachelor of Science degree in Business Administration with a concentration in accounting, from the University of Mary Washington. She is a licensed Certified Public Accountant in North Carolina and Virginia and is a member of the American Institute of Certified Public Accountants (AICPA), the North Carolina Association of Certified Public Accountants (NCACPA), and the Institute of Internal Auditors (IIA).

## **Sara S. Coelho, CPA – Senior Manager**

### **Relevant Experience**

- Stafford County, VA
- City of Newport News, VA and Schools
- City of Richmond, VA
- Hanover County, VA and Schools
- New Kent County, VA
- Henrico EDA

Sara is a Senior Manager with over 10 years of experience serving government entities.

Sara specializes in performing attestation services for the governmental industry. These services include financial and performance audits, agreed upon procedures engagements, single audits and compliance audits. Her duties encompass all aspects of these services from planning, performing, supervising, reporting and wrapping-up the engagement, as well as direct communication



with the client and value-added service. She also performs the required continuing professional education to maintain her yellow book qualifications.

Prior to joining CB&H, Sara worked for the Auditor of Public Accounts (APA). Sara is licensed to work as a Certified Public Accountant within the Commonwealth of Virginia. She holds her degree in accounting from Old Dominion University. She is a member of the AICPA.

### **April Adams, CPA – Senior Manager**

#### **Relevant Experience**

- Durham County, NC
- Wake County, NC
- Harnett County, NC
- Town of Cary, NC
- Town of Fuquay-Varina, NC

April is a licensed Certified Public Accountant in both North and South Carolina, with more than 10 years of accounting and auditing experience. As an audit senior manager in the Raleigh office, April has extensive financial audit and OMB Circular A-133 experience throughout her accounting career providing services to governmental (counties, cities, towns, public utilities, and other various state agencies), commercial clients and not-for-profit as well as employee benefit plans of all types.

April received her Bachelor of Science and Masters in Accounting from North Carolina State University. She is a member of CB&H's Government Services Group, North Carolina Association of Certified Public Accountants (NCACPA), NCACPA Governmental Accounting and Auditing Committee, Government Finance Officers Association (GFOA), American Institute of Certified Public Accountants (AICPA), and Greater Raleigh Chamber of Commerce (GRCC) Young Professional Network Programs Task Force Member, the Executive Women's Luncheon Task Force Member and a member of the GRCC Leadership Raleigh 26th Class. April is also an instructor at CB&H University.

Other Financial Services Notes – Brings significant experience with Single Audit OMB Circular A-133 and NC State Single Audit Act. She has also been involved in a wide variety of different types of grants from Federal and State departments.



### **Krista N. Edoff, CPA – Senior Manager**

#### **Relevant Experience**

- City of Virginia Beach
- City of Chesapeake
- City of Hampton
- City of Newport News
- City of Norfolk
- County of York
- Newport News Redevelopment and Housing Authority
- Chesapeake Economic Development Authority
- Fort Monroe Authority

Krista specializes in performing attestation services for the governmental industry. These services include financial and performance audits, agreed upon procedures engagements, single audits and compliance audits. Her duties encompass all aspects of these services from planning, performing, supervising, reporting and wrapping-up the engagement, as well as direct communication with the client and value-added service. She also performs the required continuing professional education to maintain her yellow book qualifications.

Krista received her Bachelors and Masters of Accounting degrees from Florida State University. She is a member of the AICPA and the Association of Certified Fraud Examiners.

### **Amy Schultz, CPA – Manager**

#### **Relevant Experience**

- City of Virginia Beach, VA
- City of Poquoson, VA
- City of Portsmouth, VA
- York County, VA

Amy specializes in performing attestation services for the governmental industry. These services include financial and performance audits, agreed upon procedures engagements, single audits and compliance audits. Her duties encompass all aspects of these services from planning, performing, supervising, reporting and wrapping-up the engagement, as well as direct communication with the client and value-added service. She also performs the required continuing professional education to maintain her yellow book qualifications.

Amy received her Bachelors of Business Administration from James Madison University and her Masters of Business Administration from Old Dominion University. She is a member of the American Institute of Certified Public Accountants (AICPA).

### **Subcontractor Partners**

#### **James M. Holland, CPA – Holland and Brown LLP**

Jim Holland earned his Master's in Business Administration in 1980 from North Carolina Central University and a Bachelor of Science degree from Fayetteville State University in 1979, with honors.

Jim served in the United States Army at Fort Bragg, North Carolina from January 1972 until December 1974, in the 18th Airborne Corp, 118th Military Police company as a Paratrooper and Military Policeman during the de-escalation of the Vietnam War.



Jim is a member of the American Institute of Certified Public Accountants and Virginia Society of CPAs. He serves on the Chesterfield County Board of Supervisors representing the Dale Magisterial District. He has been active in many civic organizations including Chesterfield County Drug and Alcohol Abuse Task Force, Parent-Teacher Association, Chesterfield County Council of PTAs as District Vice President, President of Jacobs Athletic Association and Treasurer of Manchester High School Band Boosters Club. He is also a Deacon and Sunday School Teacher at First Baptist Church Centralia.

Before forming this partnership with Bill Brown, Jim operated a sole proprietorship CPA firm. He is retired from Philip Morris USA International. He is also a Professor of Accounting and CPA Advisor at Virginia Commonwealth University.

### **William P. Brown, CPA – Holland and Brown LLP**

Bill Brown earned his Masters of Business Administration from Old Dominion University in 1975 and a Bachelor of Arts degree from North Carolina State University in 1972.

Bill served in the United States Air Force from October 1966 to August 1970. Most of his service was with the 22nd Bomb Wing at March Air Force Base, California with a 6 month assignment to Andersen AFB on the island of Guam.

Bill is a member of the American Institute of Certified Public Accountants and Virginia Society of CPAs. He serves on the Chesterfield County Planning Commission representing the Dale Magisterial District. He has served as treasurer of The Thomas Wolfe Society, the Clover Hill High School band parents group (the Keynotes), and Saint Luke's United Methodist Church. He was coordinator of a Volunteer Income Tax Assistance site for 22 years.

Before forming this partnership with Jim Holland, Bill taught tax accounting and accounting information systems, as well as other courses, at Longwood University for 23 years.



## Client References

<b>Client</b>	<b>Richmond Metropolitan Authority</b>
<b>Contact</b>	Greg Akers, Director of Finance 804.523.3304  919 East Main Street Richmond, VA 23219
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$71,000 annually

<b>Client</b>	<b>Capital Region Airport Commission</b>
<b>Contact</b>	Doug Blum, CFO 804.226.3019  1 Richard E. Byrd Terminal Dr. Richmond, VA 23250
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$68,000 annually

<b>Client</b>	<b>Upper Occoquan Service Authority</b>
<b>Contact</b>	Paulette Myers, Director of Finance 703.830.2200  14631 Compton Road Centreville, VA 20121
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$61,500 annually

<b>Client</b>	<b>City of Newport News, VA</b>
<b>Contact</b>	Tom Mitchell, Director of Finance 757.926.8323  2400 Washington Avenue, 7th Floor Newport News, VA 23607
<b>Scope of Services</b>	Financial Statement Audit Services
<b>Project Amount</b>	\$135,000



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**Proposal to Serve Virginia Department of Rail and Public Transportation**

<b>Client</b>	<b>Mecklenburg County, NC</b>
<b>Contact</b>	Deana Dioro Finance Officer 704.336.2228  600 East Fourth Street Charlotte, NC 28234
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$170,000 annually

<b>Client</b>	<b>City of Charlotte, NC</b>
<b>Contact</b>	Teresa Smith Financial Reporting Manager 704.335.8085  CMGC 600 East Fourth Street, 10th Floor Charlotte, NC 28202
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$145,000

<b>Client</b>	<b>Guilford County, NC</b>
<b>Contact</b>	Reid Baker Financial Planning and Reporting Manager 336.641.3300  201 South Greene Street Greensboro, NC 27402
<b>Scope of Services</b>	Financial statement audit
<b>Project Amount</b>	\$89,000

<b>Client</b>	<b>Triangle Transit Authority</b>
<b>Contact</b>	Sandra Freeman Director of Finance 919.485.7415  4600 Emperor Blvd., Suite 100 Durham, North Carolina 27703
<b>Scope of Services</b>	Financial statement audit and Single Audit requirements
<b>Project Amount</b>	\$42,000



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**Proposal to Serve Virginia Department of Rail and Public Transportation**

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### **Tab 3. DMBE/SWAM Participation**

Six copies of our Small Business Subcontracting Plan are included on the following pages. Per the RFP we have provided our plan using Attachment C of the RFP.

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:** Cherry, Bekaert & Holland, LLP

**Preparer Name:** R. Russell Coleman **Date:** 6/22/12

**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 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>
Holland & Brown LLP 9517 Amberdale Dr. North Chesterfield, VA 23236	Minority (M)	Jim Holland 804-745-7157 jmholland@vcu.edu	Financial Services	25%	TBD based on contract award
<b>Totals \$</b>					



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**Proposal to Serve Virginia Department of Rail and Public Transportation**

**Tab 4. Contact Person**

Russell Coleman, proposed Engagement Partner, will serve as the primary point of contact for DRPT's engagement. He will coordinate all services and proposed personnel. His contact information is as follows:

Russell Coleman  
804-673-5740  
rcoleman@cbh.com



## **Tab 5. Staffing and Pricing Plan**

We understand and appreciate your desire for professional service providers who are not only highly qualified, but who are also cost-conscious and cost-effective about the work they perform. We are mindful that cost is always a consideration in selecting a professional services firm and commit to a fee structure that demonstrates our strong desire to continue to serve DRPT.

As you have come to expect, routine advisory services provided through telephone calls, conferences or otherwise in connection with incidental matters arising during the course of a year will not be billed separately, but are included in our estimated annual fee. We encourage open lines of communication throughout the year as part of our services.

We understand that final pricing is not required at this time. However, as requested, we have provided billing rates using Attachment D of the RFP on the following page.



**Department of Rail and Public Transportation  
Price Schedule**

Labor Category	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
<b>Technical Resource</b> <input type="text"/>				\$ 260.00
<b>Partner</b> <input type="text"/>				\$ 260.00
<b>Experienced Sr. Manager/Project manager</b> <input type="text"/>				\$ 240.00
<b>Subject matter expert</b> <input type="text"/>				\$ 200.00
<b>Audit senior manager/Senior financial manager</b> <input type="text"/>				\$ 186.00
<b>Manager</b> <input type="text"/>				\$ 164.00
<b>Senior accountant</b> <input type="text"/>				\$ 142.00
<b>Staff accountant</b>				\$ 121.00
<b>Associate accountant</b>				\$ 101.00



## Labor Classification Descriptions

**Executive Financial Consultant:** Individual with national reputation and possessed with unique qualifications and experience valuable to certain projects and tasked to be proposed. These individuals provide direction and management for entire engagement and/or for major elements of approaches designed to address defined needs. Responsibilities include preparing or contributing the preparation of the proposal for work to be performed, providing strategic direction on work to be performed, meeting with client officials as to the final agreed upon scope of work to be performed, and review of work product to ensure that scope of work is complete.

**Partner:** Provides direction and management for entire engagement and/or for major elements of approaches designed to address defined needs. Responsibilities include: preparing or contributing the preparation of the proposal for work to be performed, meeting and reaching final agreement with client officials as to the final agreed upon scope of work to be performed, defining and coordinating the efforts of the engagement team, approving specific work plans to carryout individual approaches to addressing defined needs, exercising management and oversight to ensure the timely completion of significant work elements and performance against time and deliverable commitments made to the client.

**Experienced Senior Manager/Project Manager:** Contributes to the development of the overall time and work schedule for the engagement. Oversees and contributes to the development of specific work plans associated with the overall scope of consultant efforts and individual proposed approaches necessary to address defined needs. Facilitates, coordinates, and provides direction to the daily effort of the engagement team in carrying out and completing approved work plans. Advises Engagement Partners and Executive Financial Consultants on engagement progress and other matters.

**Audit Senior Manager/Senior Financial Manager:** Manages and contributes to the efforts of team members in carrying out approved work plans designed to address defined needs. Applies personal technical knowledge and experience relevant to the review and assessment of the various client grant programs and related practices. Applies personal technical knowledge and experience relevant to reviewing and assessing compliance under Commonwealth and Federal requirements bearing on the grant issuance and other financial management responsibilities. Applies ability to interpret authoritative standards and procedures for fiscal and accounting operations, financial reporting, and documentation. Applies ability to research and analyze complex financial circumstances and data and convey technical distinctions both orally and in writing.

**Subject Matter Expert:** Applies knowledge and experience to recommend "best practices" approaches to carrying out financial forecasting and analysis work of a specialized or complex nature. Capable of recommending methods for the development and analysis of long-range financial forecasts, capital cost estimates, funding strategies, profitability analysis, and life-cycle cost analysis for client relevant operations. Applies knowledge and experience in recommending "best practices" approaches to managing grants under Federal and Commonwealth requirements, and for recommending grants management oversight policies, procedures, and techniques that will assist in grantee compliance with grant agreements and contracts.

**Manager:** (4-7 yrs experience) Under direction, performs risk assessments and documentation of transaction 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 recommendations to address any deficiencies noted during assessment. Also, assembles, analyzes, interprets, and reviews accounting and budget data, and reviews and/or prepares financial statements and reports involving complex financial data.



**Senior Accountant:** (2-5 yrs experience) Under direction, performs risk assessments and documentation of transaction 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 recommendations to address any deficiencies noted during assessment. Also, assembles, analyzes, interprets, and reviews accounting and budget data, and reviews and/or prepares financial statements and reports involving complex financial data.

**Staff Accountant** (entry level to 3 yrs experience) Under direction, assembles accounting data, tests accounting and related financial data as it goes through the client's systems of internal accounting control to determine the functioning and adequacy of those controls, and contributes to the preparation of financial reports and analyses.

**Associate:** (entry level/intern < 1 yr experience) Under direction, assembles accounting data, records results of tests of accounting and related financial data through the client's systems of internal accounting controls, and contributes to the preparation of financial reports and analyses.



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**Proposal to Serve Virginia Department of Rail and Public Transportation**

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## **Commitment to Equal Employment Opportunity**

CB&H does not discriminate against any employee or applicant for employment. We are committed to providing equal employment opportunity to all applicants, and the provisions of our non-discrimination clause are posted in conspicuous locations throughout our offices and stated in the CB&H Associate Handbook, which is signed by every employee of the Firm. Excerpts from our policy are as follows:

"The continuing policy of Cherry, Bekaert & Holland, L.L.P. is to provide equal employment opportunity to all qualified Associates and applicants without regard to race, color, sex, religion, national origin, age, marital status, veterans status, citizenship status or physical or mental disability. Further, it is the policy of the Firm to undertake affirmative action in compliance with all federal, state, and local requirements to recruit a diverse pool of applicants and to ensure that our employment practices are, in fact, non-discriminatory. This same non-discriminatory consideration will guide all personnel actions including, but not limited to, recruitment, hiring, training, and promotion decisions in all job classifications. Furthermore, compensation, benefits, transfers, education, or tuition assistance, and social and recreational programs will be administered in a non-discriminatory fashion"



**EXHIBIT C**

**Department of Rail and Public Transportation  
Price Schedule**

Labor Category	Direct Average Hourly Rate	Overhead Rate	Profit	Total Fixed Rate
<b>Technical Resource</b> [Redacted]				\$ 259.92
<b>Partner</b> [Redacted]				\$ 259.92
<b>Experienced Sr. Manager/Project manager</b> [Redacted]				\$ 228.09
<b>Subject matter expert</b> [Redacted]				\$206.88
<b>Audit senior manager/Senior financial manager</b> [Redacted]				\$ 185.66
<b>Manager</b> [Redacted]				\$ 159.14
<b>Senior accountant</b> [Redacted]				\$ 137.92
<b>Staff accountant</b>				\$ 116.70
<b>Associate accountant</b>				\$ 95.48



## Labor Classification Descriptions

**Executive Financial Consultant:** Individual with national reputation and possessed with unique qualifications and experience valuable to certain projects and tasked to be proposed. These individuals provide direction and management for entire engagement and/or for major elements of approaches designed to address defined needs. Responsibilities include preparing or contributing the preparation of the proposal for work to be performed, providing strategic direction on work to be performed, meeting with client officials as to the final agreed upon scope of work to be performed, and review of work product to ensure that scope of work is complete.

**Partner:** Provides direction and management for entire engagement and/or for major elements of approaches designed to address defined needs. Responsibilities include: preparing or contributing the preparation of the proposal for work to be performed, meeting and reaching final agreement with client officials as to the final agreed upon scope of work to be performed, defining and coordinating the efforts of the engagement team, approving specific work plans to carryout individual approaches to addressing defined needs, exercising management and oversight to ensure the timely completion of significant work elements and performance against time and deliverable commitments made to the client.

**Experienced Senior Manager/Project Manager:** Contributes to the development of the overall time and work schedule for the engagement. Oversees and contributes to the development of specific work plans associated with the overall scope of consultant efforts and individual proposed approaches necessary to address defined needs. Facilitates, coordinates, and provides direction to the daily effort of the engagement team in carrying out and completing approved work plans. Advises Engagement Partners and Executive Financial Consultants on engagement progress and other matters.

**Audit Senior Manager/Senior Financial Manager:** Manages and contributes to the efforts of team members in carrying out approved work plans designed to address defined needs. Applies personal technical knowledge and experience relevant to the review and assessment of the various client grant programs and related practices. Applies personal technical knowledge and experience relevant to reviewing and assessing compliance under Commonwealth and Federal requirements bearing on the grant issuance and other financial management responsibilities. Applies ability to interpret authoritative standards and procedures for fiscal and accounting operations, financial reporting, and documentation. Applies ability to research and analyze complex financial circumstances and data and convey technical distinctions both orally and in writing.

**Subject Matter Expert:** Applies knowledge and experience to recommend "best practices" approaches to carrying out financial forecasting and analysis work of a specialized or complex nature. Capable of recommending methods for the development and analysis of long-range financial forecasts, capital cost estimates, funding strategies, profitability analysis, and life-cycle cost analysis for client relevant operations. Applies knowledge and experience in recommending "best practices" approaches to managing grants under Federal and Commonwealth requirements, and for recommending grants management oversight policies, procedures, and techniques that will assist in grantee compliance with grant agreements and contracts.

**Manager:** (4-7 yrs experience) Under direction, performs risk assessments and documentation of transaction 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 recommendations to address any deficiencies noted during assessment. Also, assembles, analyzes, interprets, and reviews accounting and budget data, and reviews and/or prepares financial statements and reports involving complex financial data.



**Senior Accountant:** (2-5 yrs experience) Under direction, performs risk assessments and documentation of transaction 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 recommendations to address any deficiencies noted during assessment. Also, assembles, analyzes, interprets, and reviews accounting and budget data, and reviews and/or prepares financial statements and reports involving complex financial data.

**Staff Accountant** (entry level to 3 yrs experience) Under direction, assembles accounting data, tests accounting and related financial data as it goes through the client's systems of internal accounting control to determine the functioning and adequacy of those controls, and contributes to the preparation of financial reports and analyses.

**Associate:** (entry level/intern < 1 yr experience) Under direction, assembles accounting data, records results of tests of accounting and related financial data through the client's systems of internal accounting controls, and contributes to the preparation of financial reports and analyses.

## Nusbaum, Ashley (DRPT)

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**From:** Russell Coleman [rcoleman@cbh.com]  
**Sent:** Friday, July 27, 2012 11:33 AM  
**To:** Nusbaum, Ashley (DRPT)  
**Subject:** RE: Revised pricing sheet

**Attachments:** DRPT\_PROPOSED FEE\_FINAL\_rev.pdf



DRPT\_PROPOSED  
FEE\_FINAL\_rev.pdf..

Ashley,

Sorry about that, seems to be a habit. Here you go,

Have a great day,

R. Russell Coleman, Jr.  
Partner  
Cherry, Bekaert & Holland, L.L.P.  
200 South 10th Street  
Suite 900  
Richmond, Virginia 23219  
PO Box 27127  
Richmond, Virginia 23261-7127  
804.673.5740 Direct  
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804.673.4290 Fax  
rcoleman@cbh.com e-mail

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-----Original Message-----

**From:** Nusbaum, Ashley (DRPT) [mailto:ashley.nusbaum@drpt.virginia.gov]  
**Sent:** Friday, July 27, 2012 11:31 AM  
**To:** Russell Coleman  
**Subject:** RE: Revised pricing sheet

Russell,

Thank you for getting back to us so quickly. The revised spreadsheet wasn't attached to your email. Will you please resend it? Thanks!

Ashley Nusbaum  
Financial Compliance & Procurement Analyst 804-786-2890

-----Original Message-----

**From:** Russell Coleman [mailto:rcoleman@cbh.com]  
**Sent:** Friday, July 27, 2012 5:39 AM  
**To:** Nusbaum, Ashley (DRPT)  
**Cc:** WR Gay  
**Subject:** Revised pricing sheet

Ashley,

We have attached a revised pricing sheet which reflects the billing rates used for the years ended June 30, 2010 and 2011. We are committing to maintain these through at least

June 30, 2015.

Please let me know if you have any questions,

Have a great day,

Russell

R. Russell Coleman, Jr.  
Partner  
Cherry, Bekaert & Holland, L.L.P.  
200 South 10th Street  
Suite 900  
Richmond, Virginia 23219  
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**Nusbaum, Ashley (DRPT)**

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**From:** Jessica Marsh [JMarsh@cbh.com]  
**Sent:** Thursday, July 05, 2012 4:14 PM  
**To:** Nusbaum, Ashley (DRPT); Russell Coleman  
**Subject:** RE: RFP 505-12-RR0001 - Request for Additional Information

That is correct. We will bill the same rate for both [REDACTED]. The same applies for each labor category and the individuals listed within.

Thanks,

Jessica Laubacher Marsh  
Marketing Manager

Cherry, Bekaert & Holland, LLP  
200 S. 10<sup>th</sup> Street, Suite 900  
Richmond, VA 23219

804-673-5741 (direct)  
804-673-5700 (main)  
804-673-4290 (fax)  
[JMarsh@cbh.com](mailto:JMarsh@cbh.com)

---

**From:** Nusbaum, Ashley (DRPT) [mailto:ashley.nusbaum@drpt.virginia.gov]  
**Sent:** Thursday, July 05, 2012 4:05 PM  
**To:** Jessica Marsh; Russell Coleman  
**Subject:** RE: RFP 505-12-RR0001 - Request for Additional Information

Jessica,

So for an example [REDACTED] make a direct average hourly rate of \$54.12, it's not the average of both their salaries together? Thanks.

Ashley Nusbaum  
Financial Compliance & Procurement Analyst  
804-786-2890

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**From:** Jessica Marsh [mailto:JMarsh@cbh.com]  
**Sent:** Thursday, July 05, 2012 3:59 PM  
**To:** Russell Coleman; Nusbaum, Ashley (DRPT)  
**Subject:** RE: RFP 505-12-RR0001 - Request for Additional Information

Ashley,

As follow-up to my voicemail attached please find our price schedule which applies to all three potential services listed in the scope of services section of the RFP.

As noted in your email below, on the attached, we have provided the following detail:

1. Labor Category

7/5/2012

2. Assigned professionals by name – all professionals in a labor category have the same rate and rate breakdown.
3. Direct Rate
4. Overhead rate
5. Profit
6. Total fixed rate

Please let me know if you need anything further from us.

Regards,

Jessica Laubacher Marsh  
Marketing Manager

Cherry, Bekaert & Holland, LLP  
200 S. 10<sup>th</sup> Street, Suite 900  
Richmond, VA 23219

804-673-5741 (direct)  
804-673-5700 (main)  
804-673-4290 (fax)  
[JMarsh@cbh.com](mailto:JMarsh@cbh.com)

---

**From:** Russell Coleman  
**Sent:** Thursday, July 05, 2012 11:23 AM  
**To:** Nusbaum, Ashley (DRPT)  
**Cc:** Jessica Marsh  
**Subject:** RE: RFP 505-12-RR0001 - Request for Additional Information

Ashley,

I am out of the office for the week and do not have access to the proposal or the supporting information. In addition, most of our audit team is also out today and tomorrow. I can forward this to our marketing manager to see if she can get the information from the detail. However, I may not be able to fully respond until Monday morning, July 9.

Can you respond and let me know if this is acceptable?

Thanks and have a great day,

Russell

R. Russell Coleman, Jr.  
Partner  
Cherry, Bekaert & Holland, L.L.P.  
200 South 10<sup>th</sup> Street  
Suite 900  
Richmond, Virginia 23219  
PO Box 27127  
Richmond, Virginia 23261-7127

7/5/2012

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804.673.4290 Fax  
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[www.cbh.com](http://www.cbh.com)

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**From:** Nusbaum, Ashley (DRPT) [mailto:[ashley.nusbaum@drpt.virginia.gov](mailto:ashley.nusbaum@drpt.virginia.gov)]  
**Sent:** Tuesday, July 03, 2012 2:30 PM  
**To:** Russell Coleman  
**Subject:** RFP 505-12-RR0001 - Request for Additional Information

We are in the process of reviewing proposals for RFP 505-12-RR0001 for General Financial Consultant Services for Virginia.

Section V. Proposal Preparation and Submission Requirements of the RFP under General Requirements, part 2. Written Proposal Preparation, tab 5 Staffing and Pricing Plan states:

"Offerors shall identify all staff by 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."

Upon review of your offer, we discovered that your proposal only includes the direct average hourly rate for your staff. Please submit a schedule with the missing information to me as soon as possible but no later than close of business on Thursday, July 5, 2012 via fax, e-mail or mail.

Please feel free to contact me should you have any questions. 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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7/5/2012

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