



**TOWN OF BERRYVILLE, VIRGINIA  
REQUEST FOR PROPOSAL  
AUDIT SERVICES RFP #2020-05**

ISSUE DATE: November 17, 2020

DUE DATE: December 2, 2020, 2:00 PM

DELIVERY ADDRESS: 101 Chalmers Court, Suite A  
Berryville, VA 22611

CONTACT: Gregory C. Jacobs  
Director of Finance/Treasurer  
E-mail: [treasurer@berryvilleVA.gov](mailto:treasurer@berryvilleVA.gov)

## TABLE OF CONTENTS

	Page No.
I. Introduction and Background Information	4
A. General Information	4
B. Agreement Term	4
C. Background	4
II. Scope of Work	5
A. Auditing and Reporting Services	5
B. Auditing Standards to Be Followed	6
C. Working Paper Retention and Access to Working Papers	6
D. Contact Persons/Locations of Offices	7
E. Town's Time Requirements	7
F. Assistance to Be Provided to the Auditor and Report Preparation	8
G. Site Visits	8
III. Proposal Submission Requirements	8
A. General Requirements	8
B. Independence	9
C. License to Practice in Virginia	9
D. Profile and Government Experience of Offeror	10
E. Qualification and Government Experience of Assigned Staff	10
F. Audit Approach & Work Plan	10
G. Commit to Provide Continuity of Assigned Staff	11
H. References	12
I. Meeting; Non-binding Cost Estimate	12
IV. Evaluation Criteria	12
V. Instructions and Agreement Terms and Provisions	13
A. Right to Reject Proposals	13
B. Cost in Preparing Proposals	13
C. Submission of Proposals	13
D. Inquiries	13
E. Disposition of Proposals	13
F. Disclosure	13
G. Cost Incurred in Responding	14
H. Prime Vendor Responsibilities	14
I. Laws and Regulations	14
J. Conflict of Interest Statement	14
K. Ethics in Public Contracting	14
L. Non-Discrimination	14
M. Anti-Collusion	15
N. Agreement Execution	15

ATTACHMENT A	Information Overview	16
ATTACHMENT B	RFP Submission Form	18
ATTACHMENT C	Audit Services Agreement	20
ATTACHMENT D	Organizational Chart	27

Available on the Town web site:

Annual CAFR through 2020 <http://www.berryvilleva.gov>

Annual Budgets through FY 2021 <http://www.berryvilleva.gov>

**I. INTRODUCTION AND BACKGROUND INFORMATION**

- A. **General Information** - The Town of Berryville (“Town”) is requesting proposals from qualified certified public accounting firms to audit its financial statements beginning with the fiscal year ending June 30, 2021.
- B. **Agreement Term** – It is the intent of the Town to enter into a five-year Agreement beginning with services for the fiscal year ending June 30, 2021 through June 30, 2025. The Town reserves the right to renew the contract for two (2) additional one (1) year periods. This contract may be renewed at the expiration of its term by agreement of both parties. Contract renewals must be authorized by the Town Council and coordinated through the Town Manager.
- C. **Background** - The Town serves an area of 2.275 square miles with an estimated population of 4,342 as of 2018. The Town's fiscal year begins on July 1 and ends on June 30.

*Services* - The Town provides the following services to its citizens:

- General governmental services including: police, refuse collection and disposal, water and sewer utility, parks and recreation, and maintenance of streets and roadways.
- The Town has a total payroll, including benefits of \$1.72 million covering 33 full-time and 8 part-time employees.
- The Town is organized into five departments. The accounting and financial reporting functions of the Town are centralized.
- More detailed information on the government and its finances can be found in the Comprehensive Annual Financial Report for fiscal year 2020 and Budget for fiscal year 2021. These can be found on the Town’s website at [www.berryvilleva.gov](http://www.berryvilleva.gov).

*Fund Structure* - The Town uses the following fund types and account groups in its financial reporting:

Fund Type/Account Group	Number of Individual Funds	Number With Legally Adopted Annual Budgets
General Fund	1	1
Enterprise Funds	2	2

*Budgetary Basis of Accounting* - The Town prepares its budgets on a basis consistent with generally accepted accounting principles.

*Federal and State Financial Assistance* – The Town receives federal assistance directly from the federal government or as pass through funds.

*Pension Plan* - The Town participates in the Virginia Retirement System, which is a Multiple-Employer Defined Benefit Plan. The Virginia Retirement System provides actuarial services for this plan. The Town also offers its employees a choice of deferred compensation plans in accordance with Internal Revenue Code 457.

*Component Units* – The Town has no component units.

*Joint Ventures* - The Town does not participate in any joint ventures.

*Magnitude of Finance Operations* - The finance department is headed by Gregory C. Jacobs, Director of Finance/Treasurer, and consists of 5 employees. The principal functions performed and the numbers of employees assigned to each are as follows:

- Director of Finance/Treasurer (collections, procurement, budget) 1
- Deputy Treasurer/Utility Clerk (real estate, personal property, utility billing) 1
- Front Desk Clerk (customer service, meals tax, cigarette tax, business license) 1
- Finance Clerk (accounts payable, payroll, procurement, reimbursables) 1
- Town Clerk (FOIA, minutes) 1

*Computer Systems* - The Town’s integrated accounting system and files are shared via server. The following are details:

Hardware:

Type of Equipment	Server
Model/Make of Equipment	SQL database engine and Windows 10 operating software.
Networked	Yes

Software:

<u>Vendor</u>	<u>Applications</u>
Southern Software	General Ledger/Accounting
FMS	Accounts Payable
	Payroll/Personnel
	Business Licenses
	Budget Preparation
	Utility Billing
	Property Taxes

*Availability of Prior Audit Reports and Working Papers* – Prior year’s CAFR may be found on the Town’s website. The audit firm of Robinson, Farmer, Cox Associates, P.O. Box 6580 Charlottesville, VA 22906 performed the Town's audit for the last ten fiscal years. Their contact is Josh Roller at (434) 973-8314.

**II. SCOPE OF WORK**

**A. Auditing and Reporting Services**

1. Comprehensive Annual Financial Report (“CAFR”) - The auditor shall prepare and deliver to the Town an Independent Auditor’s Report that expresses an opinion regarding whether the Town’s basic financial statements, as presented in the CAFR, are fairly presented and in conformance with generally accepted accounting principles.

The auditor shall also perform certain procedures in regards to the required supplementary information and supporting schedules of individual funds.

2. Single Audit - The auditor shall determine if there is a requirement to examine, perform tests, and report on the Schedule of Expenditures of Federal Awards and all

related reports according to OMB Circular A-133 Compliance Supplement Requirements. If such a requirement exists, and estimate of additional time and fees required to perform such procedures will be provided to Town's Management, and shall be stated separately from total audit contract amount.

3. APA Transmittal Forms - The Auditor of Public Accounts for the Commonwealth of Virginia ("Auditor of Public Accounts") requires all local governments to complete Comparative Report Transmittal Forms in accordance with the provisions of the Uniform Financial Reporting Manual. Each fiscal year, the auditor shall prepare all such required forms, perform all procedures specified in the Uniform Financial Reporting Manual, and submit the completed forms for each fiscal year to the Auditor of Public Accounts no later than the November 30th following the end of the Town's fiscal year.
4. GASB and FASB Pronouncements - The auditor shall keep the Town fully informed of all pronouncements issued by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standard Board (FASB). The auditor shall assist the Town as needed in complying with all GASB and FASB requirements.
5. Public Presentation of Audit - The auditor shall present a summary of its Independent Auditor's Report to the Town Council at a public session in December (usually the 2<sup>nd</sup> Tuesday of the month) each year. Town Council must be provided with the audit no less than 14 days before the presentation.
6. Other Requirements – The auditor shall provide assistance with the following items:
  - a) Reconciliation of beginning fund balances against prior year audited financial statements; propose adjustments as necessary.
  - b) Reconciliation of federal and state funding against trial balances per the Auditor of Public Accounts reports; propose adjustments as necessary.
  - c) Review of accounts payable accruals and payroll accruals to determine completeness.
  - d) Assistance to staff with recording the addition and disposal of assets to the depreciation system as needed.
  - e) Preparation of journal entries, as necessary, related to debt service.
  - f) Preparation of other entries, as necessary, to various funds so that fund basis financial statements will be ready for audit.
  - g) Assistance to staff with gathering information necessary for auditors to prepare entity wide financial statements.
  - h) Assistance to staff regarding any transactions that may not have been recorded properly; propose adjustments as needed.

## **B. Auditing Standards to Be Followed**

The auditor shall audit all funds and financial statements of the Town in accordance with: (1) the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, (2) the provisions of the OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and (3) the Specifications for Audits of Counties, Cities and Towns of the Auditor of Public Accounts, Commonwealth of Virginia.

### **C. Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of five years, unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

1. State Audit Agencies
2. U.S. General Accountability Office (GAO)
3. Parties designated by the federal or state governments or by the Town as part of an audit quality review process.
4. Auditors of entities of which the Town is a sub-recipient of grant funds.
5. Successor auditors of the Town.

### **D. Contact Persons/Locations of Offices**

After Agreement award, the auditor's principal contact with the Town will be Gregory C. Jacobs, Director of Finance/Treasurer, who will coordinate the assistance to be provided by the Town to the auditor; email: [treasurer@berryvilleva.gov](mailto:treasurer@berryvilleva.gov).

### **E. Town's Time Requirements**

The Town is subject to certain mandated reporting deadlines imposed by legal regulations, which the auditor shall meet. These include the following:

The Comprehensive Annual Financial Report together with transmittal forms is due to the Auditor of Public Accounts, Commonwealth of Virginia, no later than November 30 of each year.

To meet this mandated reporting deadline, the Town requires the following deadlines of the auditor:

1. The auditor must schedule and attend an entrance conference with the Town no later than January 31, 2021. An entrance conference will not be held for subsequent years of the Agreement unless specifically requested by the Town or the auditor.
2. Upon request, the auditor shall be available to meet or talk with the Director of Finance/Treasurer.
3. No later than February 15, 2020, and May 15th of each year thereafter, the auditor shall provide the Town with the following: (1) a calendar of the scheduled work, and (2) a list of the schedules that must be prepared by the Town, including system-generated reports and letters necessary for both interim work and final test work.
4. No later than September 30th each year, the auditor shall complete all fieldwork.
5. No later than October 20th each year, the auditor shall provide the Town with a draft CAFR including all financial statements, footnotes and required supplemental schedules. No later than November 10th each year, the Town's Director of Finance/Treasurer will review the draft CAFR and deliver to the auditor all corrections, the MDA, and the Letter of Transmittal.

6. No later than November 20th each year, the auditor shall deliver to the Town all final CAFR review comments.
7. No later than November 30th each year, the auditor shall issue to the Town its Independent Auditor's Report.
8. No later than November 30th each year, the auditor shall submit to the Auditor of Public Accounts all documents that are required by the Auditor of Public Accounts to be submitted by November 30th.
9. No later than December 10th each year, the auditor shall provide the Town with 20 hard copies of the bound CAFR, including the Independent Auditor's Report, and an electronic .pdf file of the same.
10. The auditor shall present the CAFR, including the Independent Auditor's Report, to the Town Council during a regularly scheduled Town Council meeting in December (usually the 2nd Tuesday of the month).

**F. Assistance to Be Provided to the Auditor; Report Preparation**

1. Finance Department - The Finance Department has the responsibility for maintaining the general accounts of the Town and is the central oversight and coordinating agency for the town wide audit of financial statements. The Finance Department will provide the support necessary for the completion of a successful audit and will complete all of the prepared-by-client work papers for the auditor.
2. Town Departments - All Town departments will assist the auditor by assembling and making available information pertinent to the examination and providing knowledgeable personnel to meet with the auditor to explain agency operations.
3. Office Accommodations - The Town will provide the auditor with reasonable office accommodations. The auditor will also be provided with access to the internet, telephone lines, photocopying facilities and FAX machines. All work conducted on the Town's premises shall be accomplished between the Town's standard office hours of 8:00 a.m. and 5:00 p.m., Mondays through Fridays, holidays excepted, unless otherwise prearranged. While auditor personnel are at the Town's sites, they are required to comply with all rules and regulations of the Town with specific mention being made of complying with rules and regulations governing conduct with respect to health and safety not only as they relate to themselves, but also to Town personnel.

**G. Site Visits**

The Town reserves the right to visit the auditor's offices without prior notice, in order to assess the capabilities of individual auditors and to contact references provided with the proposals.

**III. PROPOSAL SUBMISSION REQUIREMENTS**

- A. General Requirements** - The purpose of the offeror's proposal is to demonstrate the qualifications, competence, and capacity to undertake an independent audit of the Town in conformity with the requirements of this request for proposals ["RFP"]. As such, the substance of proposals will carry more weight than their form or manner of presentation. The offeror's



proposal should demonstrate the qualifications of the offeror and of the particular staff to be assigned to this engagement. It should also specify an offeror's approach that will meet the request for proposals requirements.

The offeror's proposal should address all the points outlined in this RFP. The proposal should be prepared simply, providing a straightforward, concise description of the offeror's capabilities to satisfy the requirements of the RFP. The submitted proposal shall form an integral part of the resulting Agreement, by reference. Therefore, offerors should exercise extreme care in describing what services are included or excluded in the proposal.

The Town will follow the evaluation process and selection criteria described later in this RFP. In order to enhance this process and provide each offeror with an equal opportunity for consideration, adherence to a standardized proposal format is required. The format of each proposal must contain the following elements organized into separate chapters or sections. The maximum pages allowed for each element is listed. Any section that exceeds this maximum may not be considered.

	Maximum # of Pgs.
Table of Contents	1
RFP Submission Form	1
Offeror's cover sheet listing:	2
• Contact person and telephone number	
• Statement of independence	
• Statement of license to practice in Virginia	
Letter of transmittal and/or executive summary	2
Profile and Government Experience of the Offeror	4
Qualifications and Government Experience of the assigned Staff (Maximum Pages Per Person)	2
Audit approach and work plan	10
Ability to meet the Town's time requirements	1
Commitment to provide continuity of assigned Staff	1
References of Government clients	2

These elements parallel the Town's proposal evaluation criteria. The Town is not responsible for failure to locate, consider, and evaluate qualification factors presented outside of this format. The following paragraphs provide guidelines to each offeror for information that must be include in the proposal.

- B. Independence** - The offeror shall provide an affirmative statement in its proposal that the offeror is independent of the Town as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards and the Ethics Rules of the AICPA.

The offeror shall also list and describe in its proposal the offeror's professional relationships involving the Town for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the services described within this RFP.

- C. License to Practice in Virginia** – The offeror shall include an affirmative statement in its proposal representing that the offeror and all assigned key professional staff are properly

licensed to practice as certified public accountants in the Commonwealth of Virginia, and meet any and all other specific qualification requirements imposed by state or local law.

**D. Profile and Government Experience of Offeror** - The offeror's proposal must provide:

1. A description of the offeror, including its size and geographical focus;
2. The size of the offeror's governmental staff;
3. The location of the office from which the work on this engagement is to be performed and the nature of the professional staff to be employed in the engagement on a full-time basis and the number and nature of the staff to be employed on a part-time basis;
4. The description of the range of services performed by the office from which work on this engagement is to be performed, such as audits, accounting, tax services or management services;
5. A summary of the offeror's staff and management rotation policy and depth of available experiences;
6. An outline of all the professional development programs provided to and required of the offeror's audit staff, including government-specific development programs; and
7. A copy of the report on its most recent external quality control review, with a statement addressing whether that quality control review included a review of specific government engagements; in addition, the offeror shall provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. The offeror shall provide information on the circumstances and status of any disciplinary action taken or pending against the offeror during the past three (3) years with state regulatory bodies or professional organizations.

**E. Qualifications and Government Experience of the Assigned Staff** - Identify the principal supervisory and management staff, including partners, managers, other supervisors, and specialists who would be assigned to this engagement. For each person assigned to this engagement, provide: (i) a resume, (ii) information regarding his or her specific government auditing experience (e.g. utilities, retirement plans, investments, federal grants etc.), (iii) information regarding relevant continuing professional education for the past three (3) years, (iv) a list of professional organizations of which the individual is a member, and (v) a list of other engagements, if any, to which the individual will be assigned during the period of time they are performing services for the Town.

**F. Audit Approach and Work Plan** - The offeror's proposal must set forth a work plan to perform the services required in this RFP, including an explanation of the audit approach to be followed. In developing the work plan, reference should be made to such sources of information as the Town's CAFR, organizational chart, manuals and programs, and financial and other management information systems. The offeror should clearly distinguish tasks that the auditor will undertake as distinguished from those that are the responsibility of the Town.

Offerors must provide the following information in their work plan:

1. Discussion regarding the overall approach and process in conducting the services required under this RFP.
2. Explanation regarding how the offeror proposes to use Town staff, if at all, during an audit, indicating the approximate staff time required and the types of information or schedules required.
3. Manner in which the offeror intends to use computer-assisted auditing procedures and statistical sampling techniques. Indicate sample size if possible. Describe the approach to be taken in drawing audit samples for the purposes of compliance testing.
4. Extent of use of financial software in the engagement.
5. Type and extent of analytical procedures to be used in the engagement.
6. Approach to be taken to gain and document an understanding of the Town's internal control structure.
7. Identification of specialized government audit manuals and/or programs utilized.
8. Discussion on how the audit staff plans to audit computerized systems.
9. Procedures followed in the technical review of audited financial statements prior to their issuance.
10. Statement verifying the offeror's understanding of the specific reporting requirements outlined in this RFP.
11. Description of any anticipated potential audit problems, the auditor's approach to resolving these problems, and any special assistance that will be requested from the Town.
12. Description of how the offeror's proposed work plan will meet the Town's time requirements detailed at Section II.E. of this RFP.
13. Identify each significant phase of work.
14. Provide time estimates for each significant phase of work.
15. Identify the individual staff members by name and title to be assigned to each significant phase of work.
16. For each significant phase of work, identify any specialists the offeror plans to use;
17. For each significant phase of work, (a) itemize the tasks involved, (b) provide a schedule for each task, and (c) identify whether the Town or the offeror has primary responsibility for each task.
18. Identify and discuss any documentation or authorization that will be required from the Town, anticipated problem areas, proposed solutions to the problem areas, etc.

**G. Commitment to Provide Continuity of Assigned Staff**

1. The offeror must indicate what amount of assurance the offeror can give to the Town that the principal supervisory and management staff will continue for the full duration of the engagement.
2. The offeror must commit to describe how it will provide the Town advance notice and an opportunity for input concerning any staff change by the offeror during the term of this engagement.

**H. References** - This section of the offeror's proposal must:

1. List or describe representative clients served in the last three years by the office from which the work on this engagement is to be performed, focusing on clients similar in size and complexity to the Town, and provide dates of service.
2. Provide the current name, address, and telephone number of at least three specific local government references the offeror has served either currently or in the past three years; preferably those where one or more of the assigned staff provided the same or similar services as requested herein.
3. Each reference must indicate the scope of services provided to each referenced client.

**I. Meeting; Non-Binding Cost Estimate** - After the Town has reviewed all proposals, the Town will invite one or more of the highest-rated and fully-qualified offerors to the Town to discuss their proposals and to deliver a non-binding cost estimate during the week of December 14th.

When requested, the cost estimate shall include estimated number of hours and hourly rates for all job categories that will be used to accomplish work under this Agreement. All costs for reimbursable items such as travel, printing and reproduction along with a percentage markup of all reimbursable items provided by an outside source such as printing and courier express must be included. If any sub consultants are to be used, a percentage markup of their cost shall be included. The cost estimate is to include fees for each Agreement year of service, FY 2021 through FY 2025.

The auditor's fee must be priced assuming the Town will implement all GASB's required reporting changes over the period of the Agreement. In proposing fees for the Agreement period, the offeror should assume the Town will continue to grow in size and complexity. If the offeror believes there are extraordinary changes to the Town's size or complexity that would require a fee increase, these should be identified.

**IV. EVALUATION CRITERIA**

It is anticipated that an offeror will be selected and an Agreement executed between both parties by January 15, 2021. The Town will evaluate proposals based on the following criteria:

1. Qualifications and government experience of the offeror.
2. Qualifications and government experience of the assigned staff.
3. Audit approach and work plan.
4. Ability to complete all services required under this RFP by the required deadlines.

5. Commitment to provide continuity of audit staff.
6. References from clients similar in size and complexity to the Town.

## V. INSTRUCTIONS AND AGREEMENT TERMS AND PROVISIONS

- A. Right to Reject Proposals** - Submission of a proposal indicates acceptance by the offeror of the conditions contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the Agreement between the Town and the firm selected. The Town reserves the right, without prejudice, to reject any or all proposals.
- B. Cost in Preparing Proposals** - There is no expressed or implied obligation for the Town to reimburse responding firms for any expenses incurred in responding to this request.
- C. Submission of Proposals** - All proposals must be submitted in a sealed envelope, labeled with the proposal title and number, and addressed to:

Gregory C. Jacobs, Director of Finance/Treasurer  
Town of Berryville  
101 Chalmers Court, Suite A  
Berryville, VA 22611

In order for a proposal to be considered by the Town, the Town must receive one original and four copies of the proposal no later than 2:00 PM, December 2, 2020 local time. Proposals received after the submission deadline will be returned unopened. Proposals in the form of telegrams, telephone calls, facsimiles or electronic mail will not be accepted. It is the sole responsibility of the offeror to ensure the receipt of the proposal by the Town.

The Town reserves the right to reject any or all proposals submitted and to cancel this RFP.

During the evaluation process, the Town reserves the right, where it may serve the Town's best interest, to request additional information or clarifications from offerors, or to allow corrections of errors or omissions.

The Town reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the Agreement between the Town and the selected offeror.

- D. Inquiries** - Inquiries concerning this RFP must be made in writing to: Gregory C. Jacobs, Directory of Finance/Treasurer, [treasurer@berryvilleva.gov](mailto:treasurer@berryvilleva.gov).

Contact with personnel of the Town other than Gregory C. Jacobs, Director of Finance/Treasurer regarding this RFP may be grounds for elimination from the selection process.

- E. Disposition of Proposals** - All materials submitted in response to this RFP will become the property of the Town. One copy of each proposal shall be retained for official files and will become a public record after the award and will be open to public inspection. It is understood

that the proposal will become part of the official file on this matter without obligation on the part of the Town except as to the disclosure restrictions contained in Section F "Disclosure."

- F. Disclosure** - In compliance with the Town's purchasing policy, all proposals will be available for public inspection after the Agreement award. Trade secrets and proprietary information submitted by a vendor in connection with a procurement shall not be subject to public disclosure under the Virginia Freedom of Information Act, however, the offeror must invoke the protection of this legislation prior to or upon submission of the data or other materials, and must identify the specific area or scope of data or other materials to be protected and state reasons why protection is necessary. An all-inclusive statement that the entire proposal is proprietary is unacceptable. A statement that costs are to be protected is unacceptable.
- G. Cost Incurred in Responding** - This solicitation does not commit the Town to pay any costs incurred in the preparation and submission of proposals or in making necessary studies or designs for the preparation thereof.
- H. Prime Vendor Responsibilities** - Offerors may propose services that are provided by others, but any services proposed must meet all of the requirements of this RFP.

If the Offeror's proposal includes services provided by others, the Offeror will be required to act as the prime vendor for all such items and must assume full responsibility for the procurement, delivery and quality of such services. The Offeror will be considered the sole point of contact with regard to all stipulations, including payment of all charges and the meeting of all requirements of this RFP.

- I. Laws and Regulations** - The Offeror's attention is directed to the fact that all applicable Commonwealth of Virginia laws, municipal ordinances and the rules and regulations of all authorities having jurisdiction over the Agreement shall apply to the Agreement throughout, and they will be considered to be included in the Agreement the same as though herein written out in full.
- J. Conflict of Interest Statement** - The conflict of interest statement attached to this RFP must be executed and returned with the offeror's proposal. See Section III of Attachment B.
- K. Ethics in Public Contracting** – The offeror will familiarize itself with the "Ethics in Public Contracting" section of the Virginia Public Procurement Act found in the Code of Virginia, Article 6, Section 2.2-4367 through 2.2-4377, and will abide by such provisions in submission of its proposal and performance of any Agreement awarded.
- L. Non-Discrimination** – The offeror agrees that it will adhere to the non- discrimination requirements set forth in the Code of Virginia, Section 2.2-4310, which will be incorporated into any Agreement awarded. The offeror agrees to comply, and to require all suppliers and sub consultants paid in whole or in part from payments made under the Agreement to comply, with Section 122(A)(1) of the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512), as amended to wit:

No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under Subtitle A (of Title 1 of the Act).

Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

Any prohibition against discrimination on the basis of religion, or any exemption from such prohibition, as provided in the Civil Rights Act of 1964 or Title VIII of the Act of April 11, 1968, hereafter referred to as the Civil Rights Act of 1968, shall also apply to any such program or activity.

- M. Anti-collusion** - The signer of the proposal must declare that all persons, companies, and parties interested in the Agreement as principals or owners of the offeror are named therein; that the proposal is made without collusion with any other person, persons, company, or parties submitting a proposal; that the proposal is in all respects fair and made in good faith without collusion or fraud; and that the signer of the proposal has authority to contractually bind the offeror. See Section IV of the RFP Submission Form, under Attachment B.
  
- N. Agreement Execution** - The successful offeror will be required to execute the attached Agreement, provided under Attachment C. Questions or concerns with any of the Agreement terms and conditions are to be addressed in the original proposal.

ATTACHMENT A  
AN INFORMATION OVERVIEW OF BERRYVILLE, VIRGINIA

**1. Description of unit including location, physical size, recent and prospective annexation.**

A 2.3 square-mile municipality located IN THE NORTHERN Shenandoah Valley, 11 miles east of Winchester and 5 miles south of the West Virginia border in Clarke County Virginia

**2. Population:**

2000 – 2,963

2010 – 4,185

2014 – 4,297 (Est)

2018 – 4,342 (Est)

**3. Description of enterprises operated.**

Water and Wastewater Utilities

**4. Personnel/payroll**

**-Number of personnel, full-time.**

Currently (FY 20) 39

Exempt - 12

Non-exempt - 27

**-Estimated employee turnover.**

5 employees per year.

**5. Tax collections**

**-Number of bills issued.**

Approximately 3,200 Personal Property

3,525 Real Estate

**6. Enterprise billings**

**-Number of bills (monthly period).**

Water and Wastewater – 1,725

**-Average number of delinquent bills.**

Water and Wastewater -160 second notices

**7. Accounts Payable Checks**

**-Number per month - 50**

Accounts Payable transactions per month – 200

**8. Major bank accounts**

**-Number of bank accounts by type.**

Three (two operating and one payroll)

**-Average monthly activity in each bank account.**

Deposits: operating 20, payroll 6

**9. Special conditions**

**-Describe arrangements to collect taxes for others.** N/A



**-Describe arrangements to perform fiscal or accounting functions for others. N/A**

**10. Listing of separately functioning Authorities, Boards and Commissions created by the governing body and currently in operation.**

Boards and Commissions are adjuncts to the Town Council and do not function independently - They are:

- Berryville Planning Commission
- Berryville Architectural Review Board
- Berryville Board of Zoning Appeals
- Berryville Area Development Authority
- Berryville Tree Board

ATTACHMENT B  
AUDIT SERVICES RFP SUBMISSION FORM  
RFP #2020-05

**SECTION I – COMPANY IDENTIFICATION AND OWNERSHIP DISCLOSURE**

Company \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_ Title \_\_\_\_\_

Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_ Email \_\_\_\_\_

Organized under the laws of the State of \_\_\_\_\_

Principal place of business \_\_\_\_\_

Following are the names and addresses of all persons having an ownership interest of 3% or more in the company (attach more sheets if necessary):

Name	Address
_____	_____
_____	_____
_____	_____
_____	_____

The Town of Berryville requests, as a matter of policy, that any consultant or firm awarded an Agreement resulting from a formal solicitation issued by the Town shall make certification as specified below. Receipt of such certification shall be a prerequisite to the award of Agreement and payment thereof.

**SECTION II – EMPLOYEES NOT TO BENEFIT**

I (we) hereby certify that if the Agreement is awarded to our firm, partnership, or corporation, that no employee of the Town of Berryville, or members of his/her immediate family, including spouse, parents or children has received or been promised, directly or indirectly, any financial benefit by way of fee, commission, finder's fee, political contribution, or any similar form of remuneration on account of the act of awarding and/or executing this Agreement.

**SECTION III – CONFLICTS OF INTEREST**

This solicitation is subject to the provisions of VA Code Ann. Section 2.2-3100 et seq., the State and Local Government Conflict of Interests Act.

The offeror [ ] is [ ] is not aware of any information bearing on the existence of any potential organizational conflict of interest.

**SECTION IV – COLLUSION**

I certify that this offer is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for the same services, materials, supplies, or equipment and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of the State and federal law and can result in fines, prison sentences, and civil damage awards. I hereby certify that the responses to the above representations, certifications, and other statements are accurate and complete. I agree to abide by all conditions of this RFP and certify that I am authorized to sign for my company.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name (Printed) \_\_\_\_\_ Title \_\_\_\_\_

**OFFEROR MUST RETURN THIS FORM WITH PROPOSAL**

- A. The offeror warrants that it is willing and able to comply with Commonwealth of Virginia laws with respect to foreign (non-state of Virginia) corporations.
- B. The offeror warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any of the offeror’s officers, employees or agents.
- C. The offeror warrants that it will not delegate or subcontract its responsibilities under an agreement with the Town without the express prior written permission of the Town.
- D. The offeror warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: \_\_\_\_\_

Name (typed): \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT C**  
**AUDIT SERVICES AGREEMENT RFP #2020-05**

This agreement ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and between the TOWN OF BERRYVILLE, VIRGINIA ("Town"), a municipal corporation, and \_\_\_\_\_, a \_\_\_\_\_ having a usual place of business at \_\_\_\_\_ ("Auditor").

The Auditor and the Town, in consideration of the mutual covenants, promises, and agreements herein contained, hereby agree as follows:

**1. Provision of Services.**

The Auditor shall provide all services as described in the Town's request for proposal #2020-05 ("RFP") and as described in the Auditor's proposal dated \_\_\_\_\_. ("Proposal"). The RFP and Proposal are incorporated into this Agreement as if set out fully herein.

**2. Interpretation.**

Where the terms of this Agreement and the Proposal are at variance, the provisions of this Agreement shall prevail.

**3. Term.**

The term of this Agreement shall commence on January 15, 2021 and shall be effective through June 30, 2025. This Agreement may be renewed with the mutual consent of both parties for up to two additional one-year terms. Such renewal is subject to the annual review and recommendation of the Town Manager, the satisfactory negotiation of terms, the concurrence of the Town Council, and the availability of an annual appropriation.

**4. Compensation.**

In return for the services identified above, the Town certifies that sufficient funds are budgeted and appropriated and shall compensate the Auditor within thirty (30) days after receipt of a proper invoice for the amount of payment due or thirty (30) days after receipt of services, whichever is later, and in accordance with paragraph numbered 5 of this Agreement.

The Town shall pay the Auditor at the hourly rates shown on the attached rate schedule. The total annual cost shall not exceed \$\_\_\_\_\_.

**5. Method of Payment.**

The Auditor shall submit invoices to the Town with all supporting documentation and shall be reimbursed as follows:

Payment shall be made upon receipt of an invoice, which details the hours worked and services performed. The Auditor shall mail all invoices to the address specified below.

Town of Berryville  
ATTN: Gregory C. Jacobs, Director of Finance/Treasurer  
101 Chalmers Court, Suite A  
Berryville, VA 22611

All invoices shall be Net 30 and indicate the date for services provided, and a brief description of the services provided. Failure to provide the above information will result in the invoice being returned to the Vendor. The Town will not be liable for any resulting delays in payment as a result thereof. The Town reserves the right to make payment via a Corporate Purchasing Card, but will not pay surcharges if payment is made via a Corporate Purchasing Card.

**6. Controlling Law and Venue.**

This Agreement is made, entered into, and shall be performed in the Town of Berryville, Virginia, and shall be governed by the applicable laws of the Commonwealth of Virginia. Any dispute arising out of the Agreement, its interpretations, or its performance shall be litigated only in the Clarke County General District Court or the Circuit Court of the County of Clarke, Virginia. The Auditor shall comply with applicable federal, state and local laws and regulations.

**7. Assignment of Agreement.**

The Auditor is prohibited from assigning this Agreement in whole or in part without the prior written consent of the Town.

**8. Modification of Agreement.**

The Agreement may be amended or modified only by a written modification acceptable to both the Town and Auditor.

**9. Insurance.**

A. At all times during the term of this Agreement and all renewals thereof, the Auditor shall maintain:

- (1) A general liability insurance policy with a minimum primary limit of \$1,000,000 combined single limits, and an excess liability policy with a minimum limit of \$3,000,000. The Auditor's general liability and excess liability policies must be properly endorsed by a separate insurance company issued endorsement to list the Town as an additional insured. The endorsements must be issued by the same insurance company that provides the Auditor's general liability policy and excess liability policy. A notation listing the Town as an additional insured on the certificate of insurance is not sufficient. General liability and excess liability coverage shall be on an occurrence basis with an insurer licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. Prior to the Auditor commencing work under the Agreement, the Auditor shall provide the Town with a certificate of insurance evidencing compliance with all requirements under this paragraph.
- (2) Workers' compensation coverage in compliance with the laws of the Commonwealth of Virginia. The insurer shall be licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. As an alternative, it is acceptable for the Auditor to be insured by a group self-insurance association that is licensed by the Virginia Bureau of Insurance.
- (3) Employer's liability insurance with a limit of at least (a) \$100,000 for bodily injury per accident, (b) \$100,000 for bodily injury by disease per employee, and (c) a policy limit of \$500,000 for bodily injury by disease. Prior to the Auditor commencing work under the Agreement, the Auditor shall provide the Town with a certificate of insurance evidencing compliance with all requirements under this paragraph.
- (4) Commercial automobile liability insurance policy for vehicles that are owned, scheduled,

non-owned, or hired by the Auditor with a combined single limit of not less than \$1,000,000 per occurrence. The coverage must be symbol "1" liability coverage. The insurer must be licensed to conduct business in the Commonwealth of Virginia and must have an A. M. Best rating of A- or better. Prior to the Auditor commencing work under the Agreement, the Auditor shall provide the Town with a certificate of insurance evidencing compliance with all requirements under this paragraph.

- B. INSURANCE COVERAGES REQUIRED BY THIS AGREEMENT SHALL BE IN FORCE THROUGHOUT THE AGREEMENT TERM AND THE TERM OF ANY RENEWALS THEREOF. SHOULD THE AUDITOR FAIL TO PROVIDE ACCEPTABLE EVIDENCE OF INSURANCE COVERAGES REQUIRED UNDER THIS AGREEMENT WITHIN FIVE (5) DAYS OF THE TOWN'S WRITTEN REQUEST, THE TOWN SHALL HAVE THE ABSOLUTE RIGHT TO IMMEDIATELY TERMINATE THE AGREEMENT WITHOUT ANY FURTHER OBLIGATION TO THE AUDITOR, AND THE AUDITOR SHALL BE LIABLE TO THE TOWN FOR THE ENTIRE ADDITIONAL COST OF PROCURING THE UNCOMPLETED PORTION OF THE AGREEMENT AT THE TIME OF TERMINATION.**
- C. The Auditor shall require the same insurance coverage from its sub consultants as the Town requires of the Auditor under this Agreement. Compliance by the Auditor and any of its sub consultants with the insurance requirements under this Agreement shall not relieve the Auditor or any sub consultants from their liabilities and obligations under this Agreement.
- D. Nothing contained herein shall be construed to create a contractual relationship between the Town and any sub consultant of the Auditor. The Auditor shall be fully responsible to the Town for the acts and omissions of the Auditor's employees, the Auditor's sub consultants, and the employees of any sub consultant.
- E. In the event the Auditor cannot meet the specifications required by these insurance requirements, alternate insurance coverage, satisfactory to the Office of the Town Manager, or his designee, may be considered if proposed by Auditor at the time of proposal submission.
- F. Prior to commencing work under this Agreement or any renewal thereof, the Auditor shall provide the Town an original, signed Certificate of Insurance evidencing the insurance coverage and other insurance requirements of this Agreement, and shall have it filed with the Office of the Town Manager, or his designee.
- G. For each sub consultant, the Auditor shall provide the Town an original, signed Certificate of Insurance evidencing the insurance coverages and other insurance requirements of this Agreement, and shall have it filed with the Office of the Town Manager, or his designee, before the sub consultant commences work.
- H. If an "ACORD" Insurance Certificate form is used by the Auditor's insurance agent, the words, "endeavor to" and "...but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" paragraph of the form shall be deleted.

#### **10. Audit.**

The Auditor shall retain all books, records, and other documents relative to this Agreement for five (5) years after final payment, or until audited by the Town, whichever is sooner. The Town, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.

**11. Indemnification and Hold Harmless.**

The Auditor shall, for itself, its agents, servants, employees, and sub consultants, perform all work under or associated with this Agreement in accordance with any and all applicable professional standards and in accordance with sound financial accounting and auditing practices and principles. As to all matters of professional responsibility, the Auditor shall indemnify and hold harmless the Town and its agents, volunteers, servants, employees, and officials from and against any and all liability, losses, reasonable attorneys' fees, litigation expenses, and other expenses suffered by the Town and any indemnified party or entity as the result of any claim to the extent it is found to have been caused by the negligent acts, errors, or omissions of the Auditor, or those for whom Auditor is legally liable.

If the Auditor contracts with any sub consultants for the work under this Agreement, the Auditor shall enter into an Agreement with each such sub consultant that indemnifies, defends, and holds harmless the Town and its agents, volunteers, servants, employees, and officials from and against any and all liability, losses, reasonable attorneys' fees, litigation expenses, and other expenses suffered by the Town and any indemnified party or entity as the result of any claim to the extent it is found to have been caused by the negligent acts, errors, or omissions of the sub consultant, or those for whom the sub consultant is legally liable.

The attorney(s) selected to defend the Town shall be subject to approval by the Town. The Auditor expressly understands and agrees that any insurance protection required by this Agreement, or otherwise provided by the Auditor, shall in no way limit the responsibility to indemnify, keep and hold harmless and defend the Town as herein provided.

**12. Employment Discrimination Prohibited** (Code of Virginia, Section 2.2-4311)

- A. The Auditor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to normal operations of the Auditor. The Auditor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting for the provisions of this nondiscrimination clause.
- B. All solicitations or advertisements for employees placed by or on behalf of the Auditor, will state that the Auditor is an equal opportunity employer.
- C. Notices, advertisements and solicitations placed in accordance with a federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of the section.
- D. The Auditor shall include the provisions of the foregoing paragraphs A, B and C in every contract between the Auditor and a sub consultant, and in every purchase order by the Auditor of over \$10,000, so that the provisions will be binding upon each sub consultant and vendor of the Auditor.

**13. Drug Free Workplace to be Maintained** (Code of Virginia, Section 2.2-4312).

- A. During the performance of this Agreement, the Auditor agrees to (i) provide a drug- free workplace for the Auditor'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 Auditor'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 Auditor that the Auditor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every contract between the Auditor and a sub consultant, and in every purchase order by the Auditor of over \$10,000, so that the provisions will be binding upon each sub consultant and vendor of the Auditor.

- B. For the purposes of this section, “drug-free workplace” means a site for the performance of work done in connection with this Agreement, which was awarded to the Auditor in accordance with the Virginia Public Procurement Act. The Auditor’s employees are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of this Agreement.

**14. No Discrimination against Faith-Based Organizations.**

The Auditor agrees to not discriminate against faith-based organizations as that term is defined in Virginia Code Section 2.2.-4343.1.

**15. The Auditor Does Not and Shall Not Knowingly Employ an Unauthorized Alien.**

During the term of this Agreement and any renewals thereof, the Auditor agrees that it does not and shall not knowingly employ an unauthorized alien as defined in the Immigration Reform and Control Act of 1986.

**16. Auditor Compliance with State Law; Foreign and Domestic Businesses Authorized to Transact Business in the Commonwealth.**

- A. Pursuant to Section 2.2-4311.2 of the Code of Virginia, the Auditor shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity.
- B. The Auditor shall not allow its existence, its certificate of authority, or its registration to transact business in the Commonwealth to lapse, be revoked, or be cancelled at any time during the term of this Agreement or any renewals thereof.
- C. The Town may terminate this Agreement with the Auditor if the Auditor fails to remain in compliance with the provisions of Section Sixteen of this Agreement, or Section 2.2-4311.2 of the Code of Virginia.

**17. Notice Address.**

All notices provided under this Agreement shall be sent to the following persons at their respective physical or electronic address. All notices sent to a physical address shall be sent by certified mail, return receipt requested.

- 1. For TOWN: 101 Chalmers Court, Site A, Berryville, VA 22611
- 2. For AUDITOR:

Each party may amend the contact person and address by providing prior written notice to the other party.

**18. Termination by Town without Cause.**

The Town may terminate this Agreement for any reason by providing notice to the Auditor no fewer than ten days in advance of the termination date and by paying any and all sums already earned by the Auditor under this Agreement, including reasonable documented expenses incurred in reliance upon this Agreement.



**19. Integration Clause.**

This Agreement shall constitute the whole agreement between the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations or agreements, written or verbal, between the parties hereto related to the subject of this Agreement.

IN WITNESS WHEREOF, the parties have affixed their signatures to this Agreement and by execution, hereby acknowledge their respective authority to bind the Auditor and the Town.

AUDITOR

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

COUNTY OF CLARKE  
COMMONWEALTH OF VIRGINIA

The foregoing Agreement was acknowledged before me by \_\_\_\_\_, its  
\_\_\_\_\_, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public Signature                      My Commission Expires: \_\_\_\_\_  
Notary Registration #: \_\_\_\_\_

STAMP:

TOWN OF BERRYVILLE, VIRGINIA  
A Municipal Corporation  
By: Keith R. Dalton.  
Its: Town Manager

COUNTY OF CLARKE  
COMMONWEALTH OF VIRGINIA

The foregoing Agreement was acknowledged before me by Keith R. Dalton, Town Manager of the Town  
of Berryville, Virginia, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public Signature                      My Commission Expires: \_\_\_\_\_  
Notary Registration #: \_\_\_\_\_

STAMP:

ATTACHMENT D - ORGANIZATIONAL CHART



# TOWN OF BERRYVILLE

Virginia

Town of Berryville Organizational Chart

