

REQUEST FOR PROPOSAL

AUDIT SERVICES

CITY OF READING, PENNSYLVANIA

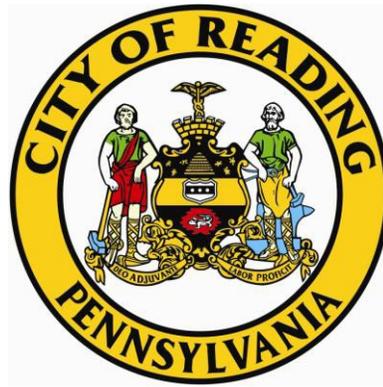


TABLE OF CONTENTS

Professional Services.....	3
Proposal Submission .....	3
Pre-Proposal Conference.....	3
Proposer's Clarification .....	3
Insurance.....	3
Workers' Compensation and Public Liability and Property Damage Insurance .....	3
Equal Employment Opportunity .....	4
Employment of Certain Persons Prohibited .....	5
Alternations or Modifications.....	5
Subcontracts .....	5
Right to Audit Records .....	5
Dissemination of Information.....	5
Business Privilege Tax .....	5
Permits/Licenses.....	5
Observance of Laws, Ordinances and Regulations.....	6
Withdrawal of Proposals .....	6
Proposal Rejection .....	6
Execution of Contract.....	6
Contract Termination.....	6
Scope of Services .....	7
Information Required With Proposals .....	7
Compensation .....	8
Evaluation of Proposals .....	8
Assignment of Key Staff.....	9
Selection Committee .....	9
Questions Regarding Specifications .....	9
 FORMS	
Non-Collusion Affidavit.....	10
Non-Discrimination Statement .....	13
Non-Indebtedness.....	14

## PROFESSIONAL SERVICES

The City of Reading is soliciting competitive sealed proposals from qualified vendors to provide Financial & Compliance Audit Services for the calendar years 2014, 2015 and 2016. There will be an option to extend this contract for a period of one (1) year if it is mutually agreed upon. Proposals will be received by the City of Reading until 3:00 p.m., prevailing time, on Wednesday, November 19, 2014 in the Office of the Purchasing Coordinator, 815 Washington Street, Room 2-45, Reading, PA 19601.

## PROPOSAL SUBMISSION

The original proposal and six (6) copies as well as an electronic copy shall be submitted in a **sealed** envelope that shall plainly indicate on it the title of the proposal and the date for receiving. This shall be delivered to the City Purchasing Coordinator, Rm. 2-45, City Hall, 815 Washington Street, Reading, PA, until 3:00 P.M., prevailing time on Wednesday, November 19, 2014. The envelope shall be clearly labeled as **Audit Services**.

Proposals received at the Office of the Purchasing Coordinator after the hour specified will not be considered. Proposers are invited to be present at the RFP opening.

## PRE-PROPOSAL CONFERENCE

There will not be a pre-proposal meeting.

## PROPOSER' S CLARIFICATION

By submitting a proposal, the proposer certifies that the RFP has been fully read and that the proposer understands the proposal method and has full knowledge of the scope, nature and quality of work to be performed.

## INSURANCE

The Successful Proposer, at the time of execution of the contract, shall also furnish the City with insurance certificates of adequate limits, as later indicated, to protect the City of Reading, its agents, and employees, from any litigation involving Worker's Compensation, Public Liability and Property Damage, involved in the work. All subcontractors must also furnish copies of their liability insurance and Worker's Compensation Insurance certificates to the City. No subcontractor will be allowed to perform any work under this contract by the City unless such certificates are submitted to and approved by the City beforehand.

## WORKERS' COMPENSATION AND PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE

The status of the Proposer in the work to be performed is that of any independent Proposer and as such, he shall properly safeguard against any and all injury or damage to the public, to public and private property, materials and things, and as such he alone shall be responsible for any and all damage, loss or injury to persons or property that may arise, or be incurred, in or during the conduct or progress of said work without regard to whether or not the Proposer, sub-contractors, agents, or employees have been negligent, and the Proposer shall keep the City free and discharged of and from any and all responsibility and liability therefore of any sort or kind. The Proposer shall assume all responsibility for risks or casualties of every description, for any or all damage, loss or injury to persons or property arising out of

the nature of the work from the action of the elements, or from any unforeseen or unusual difficulty, including all legal defense costs incurred by the City. The Proposer shall assume and be liable for all blame and loss of whatsoever nature by reason of neglect or violation of any Federal, State, County or Local laws, regulations, or ordinances; the Proposer shall indemnify and save harmless the City from all suits or actions at law of any kind whatsoever in connection with this work and shall if required by the City, produce evidence of settlement of any such action before final payment shall be made by the City. Proposer's Liability Insurance Certificate shall include the save harmless clause and shall be filed with the City.

The Proposer shall maintain such insurance as will protect the proposer from claims under worker's compensation acts and from claims for damages because of bodily injury, including death, and property damage, which may arise from and during operations under this Contract, whether such operations be by himself, by any subcontractor or anyone directly or indirectly employed by either of them. Proposer's liability insurance shall be in the names of the Proposer and the City as their respective interests may appear. Each policy and Certificate of Insurance shall contain an endorsement naming the City of Reading as additionally insured. Certificates of such insurance shall be filed with the City.

The minimum amount of liability insurance to be maintained by the Contractor during the life of the contract shall be as follows:

**Comprehensive General Liability** – for bodily injury and property damage – including any liability normally covered by a general liability policy with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate.

**Professional Liability** – in minimum amounts of \$1,000,000 per occurrence and \$2,000,000 aggregate.

Prior to commencement of performance of this Agreement, Contractor shall furnish to the City a certificate of insurance evidencing all required coverage in at least the limits required herein, **naming the City of Reading, its elected officials, agents, and employees as additional insureds under the Comprehensive General Liability coverage**, and providing that no policies may be modified or cancelled without thirty (30) days advance written notice to the City. Such certificate shall be issued to: **City of Reading, 815 Washington Street, Reading, PA 19601**. All policies shall be in effect with companies holding an A.M. Best rating of "A-" or better and shall be licensed to do business in the Commonwealth of Pennsylvania. Such companies shall also be acceptable to the City.

Please forward a certificate of insurance verifying these insurance requirements.

All subcontractors performing work under this contract must furnish to the City a copy of their Certificate of Insurance for Workers' Compensation and liability for bodily injury and property damage.

#### EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract, the Proposer agrees as follows:

The Proposer will not discriminate against any employees or applicant for employment because of race, color, religion, sex, or national origin. The Proposer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Proposer agrees to post in conspicuous places, available to employees and applicants for employment, notices which may be provided by the City setting forth the provisions of this nondiscrimination clause.

The Proposer will, in all solicitations or advertisements for employees placed by or on behalf of the Proposer, state that all qualified applicants will receive consideration for employment without regard to

race, color, religion, sex, or national origin.

In the event of the Proposer's noncompliance with the non-discrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole, or in part and the Proposer may be declared ineligible for further City contracts.

The Proposer will include the provisions of these paragraphs in every subcontract or purchase order unless exempted.

#### EMPLOYMENT OF CERTAIN PERSONS PROHIBITED

No person who, at the time, is serving sentence in a penal or correctional institution shall be employed on the work covered by this Contract.

#### ALTERATIONS OR MODIFICATIONS

This contract will be under the direct supervision of the City or its authorized representatives. Any alterations or modifications of the work performed under this contract shall be made only by written agreement between the Proposer and the City authorized representatives and shall be made prior to commencement of the altered or modified work. No claims for extra work or materials shall be allowed unless covered by written agreement.

#### SUBCONTRACTS

The Proposer will not be allowed to subcontract work under this contract unless written approval is granted by the City. The Subproposer, as approved, shall be bound by the conditions of the contract between the City and the Proposer. The authorization of a Subproposer is to perform in accordance with all terms of the contract and Specifications. All required notices, work orders, directives, and requests for emergency services will be directed to the Proposer. All directions given to the Subproposer in the field shall bind the Proposer as if the notice had been given directly to the Proposer.

#### RIGHT TO AUDIT RECORDS

The City shall be entitled to audit the books and records of a proposer or any sub-proposer to the extent that such books and records relate to the performance of such contract or sub-contract. Such books and records shall be maintained by the proposer for a period of three (3) years from the date of final payment under the prime contract and by the sub-proposer for a period of three (3) years from the date of final payment under the sub-contract unless a shorter period is otherwise authorized in writing.

#### DISSEMINATION OF INFORMATION

During the term of the resulting contract, the successful proposer may not release any information related to the services or performance of services under the contract, nor publish any report or documents relating to the City, the account or performance of services under the agreement without prior written consent of the City; and shall indemnify and hold harmless the City, its officers, agents, and employees from all liability which may be incurred by reason of dissemination, publication and distribution, or circulation, in any manner whatsoever, of any information, data, documents, or material pertaining to the City, the account or the contract by the proposer or its agents or employees.

#### BUSINESS PRIVILEGE TAX

The City of Reading imposes a Business Privilege License at \$55.00 per calendar year. In addition, a Business Privilege Tax is imposed at the service rate of 2-1/4 mills upon the gross receipts attributable to business conducted within the City of Reading.

## PERMITS/LICENSES

The Proposer shall, at its expense, pay all fees and procure all necessary licenses and permits needed to conduct the work required under the terms of this contract. The Proposer shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the work of this contract.

## OBSERVANCE OF LAWS, ORDINANCES AND REGULATIONS

The Proposer at all times during the term of this contract shall observe and abide by all Federal, State, and Local laws which in any way affect the conduct of the work and shall comply with all decrees and orders of courts of competent jurisdiction. The Proposer shall comply fully and completely with any and all applicable State and Federal statutes, rules and regulations as they relate to hiring, wages, and any other applicable conditions of employment.

## WITHDRAWAL OF PROPOSALS

Proposers will be given permission to withdraw any proposals after they have been received by the City's Purchasing Coordinator at his/her office, provided said request is in writing and properly signed or by telegram and is received at least two (2) hours prior to the time and date set for the opening. Request by telegram must be confirmed in writing, properly signed, which must be delivered within twenty-four (24) hours of the time and date set for the opening. No proposals may be withdrawn for a period of ninety (90) days following the formal opening and receipt of proposals by the City of Reading.

## PROPOSAL REJECTION

The City of Reading reserves the right to reject any or all proposals and to accept or reject any part of any proposal. It also reserves the right to waive any technical defects or minor irregularities, which in its discretion, is in the best interest of the City.

## EXECUTION OF CONTRACT

The successful Proposer shall, within ten (10) calendar days after mailing of contract documents by the City to the Principal, enter into contract with the City.

The contract, when executed, shall be deemed to include the entire agreement between the parties; the Proposer shall not base any claim for modification of the contract upon any prior representation or promise made by the representatives or the City, or other persons. All attachments are considered as part of this document.

## CONTRACT TERMINATION

The City shall have the right to terminate a contract or a part thereof before the work is completed in the event:

- A. Previous unknown circumstances arise making it desirable in the public interest to void the contract.
- B. The proposer is not adequately complying with the specifications.
- C. The proposer refuses, neglects, or fails to supply properly trained or skilled supervisory personal and/or workers or proper equipment.
- D. The proposer in the judgment of the City is unnecessarily or willfully delaying the performance and completion of the work.
- E. The proposer refuses to proceed with work when and as directed by the City.
- F. The proposer abandons the work.

## SCOPE OF SERVICES

1. The City of Reading desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with generally accepted accounting principles.
2. The City of Reading also desires the auditor to express an opinion on the fair presentation of its combining and individual fund and account group financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an “in-relation-to” report on the supporting schedules based on the auditing procedures applied during the audit of the general purpose financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the statistical section of the report. The City desires to present its ten-year pension data as a note to the financial statements.
3. The auditor is not required to audit the schedule of federal financial assistance. However, the auditor is to provide an “in-relation-to” report on that schedule based on the auditing procedures applied during the audit of the financial statements.

## B. AUDITING STANDARDS TO BE FOLLOWED

1. The audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (1994 Revision), the provisions of the Single Audit Act of 1984 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments, which satisfies the requirements of all of the following as they exist during the period being audited:
  - a. The Home-Rule Charter for the City of Reading, PA
  - b. The Third Class City Code
  - c. The Pennsylvania Department of Labor and Industry's Requirements for Self-Insurance
  - d. The Commonwealth of Pennsylvania, Local Tax Enabling Act of December 31, 1965, P.L. 1257, No. 511

## C. REPORTS TO BE ISSUED AND SPECIAL CONSIDERATIONS

1. A report on the fair presentation of the financial statements in conformity with GAAP.
2. A report on the internal control structure based on the auditor’s understanding of control structure and assessment of control risk.
3. A report on compliance with applicable laws and regulations.
4. An “in-relation-to” report on the schedule of federal financial assistance.
5. A report on the internal control structure used in administering federal financial assistance programs.
6. A report on compliance with laws and regulations related to major and non-major federal financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal financial assistance programs, a report on compliance with general requirements

applicable to major federal assistance programs, and a report on compliance with laws and regulations applicable to non-major federal financial assistance program transactions tested.

7. A report containing a disclosure for each pension plan in conformity with GASB No. 5 (to be used to comply with Pennsylvania Act 205).

8. PA DCED-CLGS-30 Annual Audit and Financial Report.

9. In the required reports on internal controls, the auditor shall communicate any reportable condition found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which should adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report. Nonreportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

10. The report on compliance shall include all material instances of noncompliance. All nonmaterial instances shall be reported in a separate management letter, which shall be referred to in the report on compliance.

11. The City of Reading will send its comprehensive annual financial report to the Government Finance Officers Association for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to meet the requirements of that program.

12. The City of Reading anticipates it will prepare one or more official statements in connection with the sale of debt securities, which will contain the general-purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the Director of Administrative Services and/or underwriter, to issue a "consent and citation of expertise" as the auditor and any other necessary "comfort letters".

13. A list of findings and other weaknesses from the City's most recent financial statement audit can be found on the City's website at [www.readingpa.gov](http://www.readingpa.gov).

14. It is expected that the City staff will prepare the introductory and statistical sections. Staff, with the assistance from the auditor, will design the report formats and draft the notes to the financial statements. The auditor will complete all printing and binding. The auditor will provide tabbed divider pages. The auditor will also provide a one-color cover and a back cover in heavy-paper stock. The auditor will deliver **80** completed comprehensive annual financial reports to the City.

15. In later years, the auditor will prepare the responses to the GFOA review comments.

#### D. TECHNICAL PROPOSAL

1. Your firm should provide an affirmative statement that it is independent of the City of Reading as defined by generally accepted auditing standards.

2. The following dates must be included and will be considered firm and binding:

- a. Date of starting fieldwork;
- b. Date of completing fieldwork;

- c. Dates of submission to the City Auditor of the drafts of each individual audit report and Management Letter. This date must allow for ten (10) business days for review prior to the issuance and presentation of the final reports;
3. Describe your approach to the audit. This should include at least the following points:
  - a. A work plan including an explanation of the audit methodology to be followed, to perform the services required in Section C of this request for proposals. In developing the work plan, reference should be made to such sources of information as the City of Reading's budget and related materials, organizations (charts, manuals and programs and financial and other management information systems.)
  - b. Proposed segmentation of the engagement.
  - c. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
  - d. Sample sizes and the extent to which statistical sampling is to be used in the engagement.
  - e. Extent of use of EDP software in the engagement.
  - f. Approach to be taken in determining laws and regulations that will be subject to audit test work.
  - g. Approach to be taken in drawing audit samples for purposes of test of compliance.
4. Describe the qualifications and experience of your firm, including:
  - a. The size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.
  - b. All audits for a five year period of a similar nature to those requested herein, indicating a contact person within those entities, title and telephone number;
  - c. Previous engagements with the City of Reading.
  - d. A copy the most recent external quality control review, as accepted by the American Institute of Certified Public Accountants (AICPA) Codification of Professional Standards. Statement should indicate whether that quality control review included a review of specific government engagements. Quality control elements should include:
    - Independent to the extent required by the rules of conduct of the AICPA
    - Assigning of qualified personnel
    - Supervision of work
    - Professional development to include Continuing Professional Education and training activities
    - Monitoring the effectiveness of the firm's quality control program, policies and procedures
    - Sufficient testing of compliance with laws and regulations
    - Sufficient documentation of the work performed and the conclusions reached
    - State date of last peer or quality review. State whether or not it was an unqualified report. State date of next scheduled peer review.

5. Partner, Supervisory and Staff Qualifications and Experience including resumes of the primary audit team.

a. Identify the principal supervisory and management staff, including engagement partners, manager, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is registered/licensed to practice as a certified public accountant in PA. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Identify the individual who will assume the day-to-day responsibilities of managing and supporting the audit, and who will do the cold review.

b. Also, provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement.

c. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of Reading. However, in either case, substitutes shall have substantially the same or better qualifications than the person replaced. The City retains the right to approve or reject replacements.

d. Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

e. Describe your firm's procedures for monitoring the progress of the audit and communicating it to the client and the cognizant agency for audit, while the audit is in progress.

f. Describe your firm's specific policies, plans, procedures or techniques used to develop information for management letters.

g. Indicate the availability of your staff for general consultation throughout the term of this engagement.

E. SEALED FEE PROPOSAL

1. The Fee Proposal should be submitted in a **separate**, sealed envelope clearly marked "**Fee Proposal**".

2. The sealed dollar cost should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price is to contain all direct and indirect costs including meetings and conferences with the City and all out-of-pocket expenses. The audit firm shall not be reimbursed for any travel, per diem, photocopying, and telephone expenses, above and beyond this all-inclusive maximum price.

3. The all-inclusive fee is to be separated by calendar years 2014, 2015, and 2016.

4. The City of Reading will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar of proposal. Such costs should not be included in the proposal.

5. Provide the hourly rates and number of hours anticipated for each employee classification proposed, separated by calendar years 2014, 2015 and 2016.
6. Provide your client assistance package. Outline the tasks needed to be performed and the hours associated with each task.

#### INFORMATION REQUIRED WITH PROPOSALS

1. Qualifications and Experience.

Demonstrate the experience of the individual, firm or organization in conducting efforts of the nature and scope required by this Request for Proposal.

Identify the key personnel to be assigned to render the services required.

Provide a list of past experience.

2. Stability.

Demonstrate the ability and continuity of both staff and management of the individual, firm or organization.

3. Minority and Woman Enterprise Participation and Participation By Labor Surplus Area And Section 3 Firms.

If the individual, firm or organization qualifies under any of these four categories, the individual, firm or organization shall set forth the basis so that the City of Reading can determine which categories (s) are applicable.

- Minority owned business firm
- Woman owned business firm
- Labor Surplus area business firm
- Section 3 business firm

#### COMPENSATION

Based upon direct labor hours and expenses, the proposal must include the rate for each position to be used in providing the services. It also must include the percentage of overhead the offeror proposes to charge. Cost charged for overhead must be allowable under 48 CFR Chapter 1, Part 31 Federal Acquisition Regulation.

The City of Reading intends to execute a contract with the successful offeror, which provides for the furnishing of technical services based upon: (1) direct labor hours at specified fixed hourly rates, including direct and indirect labor, overhead, and profit; and (2) expenses at cost. The proposal shall contain a "not to exceed" total cost figure.

Provide a fee schedule with a breakdown of rates for individual personnel and all reimbursable expenses.

Identify all Reimbursable Expenses.

## EVALUATION OF PROPOSALS

The City of Reading will evaluate each written proposal, determine whether oral discussions with the individuals, firms or organizations are necessary, then based on the content of the written proposal and any oral discussions, select the best qualified for the assignment and which is most advantageous to the City of Reading, price and all other factors considered.

### Mandatory Elements

1. The audit firm is independent and licensed to practice in PA.
2. The audit firm's professional personnel have received adequate continuing professional education within the preceding two years.
3. The firm has no conflict of interest with regard to any other work performed by the firm for the City of Reading.
4. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
5. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
6. The firm must have been engaged in audits of at least three state and/or local governments where the audits necessitated compliance with, and was conducted in compliance with the federal Single Audit Act. The audits must be for three separate governments and have been completed within the last two years. Any firm that does not meet this requirement will not be considered.
7. The City of Reading is seeking the service provider that gives the best value, and therefore, the City is not bound to the lowest proposal. The City has the responsibility to negotiate the most favorable costs, terms and conditions. The negotiation process may involve one or more RFP responses and may continue until the actual award of the contract. The city has the right to award the contract without further negotiation of proposals submitted. Therefore, the proposal should be submitted initially on the most favorable terms from both price and technical standpoints. The City has the right to reject any or all proposals, or any part of any proposal, and waive any informalities or technical defects in proposals as is deemed in the best interest of the City.

### Technical Qualifications

1. Expertise and Experience
  - a. The firms' past experience and performance on comparable government engagements.
  - b. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
2. Audit Approach
  - a. Adequacy of proposed staffing plan for various segments of the engagement
  - b. Adequacy of sampling techniques
  - c. Adequacy of analytical procedures
  - d. Price

(1) All inclusive maximum fee

(2) The City Council will retain the option to give consideration to firms with headquarters located within the City per City Charter Section 915, Subsection (d), which reads as follows:

“Notwithstanding anything to the contrary contained in this section, City Council may, in those cases where an individual or company with headquarters in the City submits a bid which is within ten (10) percent of the lowest bid, award the contract to said individual or company. In acting pursuant to this provision, City Council shall find that such an award will be in the best interests of the citizens of the City. The City Council must show just cause for the awarding of such contracts to locally owned companies who provide local labor, materials or produced goods.”

(3) Throughout the year, the City may need the assistance of the successful proposer for various issues that may arise. Describe any additional services that would be available, free of charge, to clients on a year round basis (i.e. training/seminars for City staff, tax consultation, publications, phone calls to the successful proposer for guidance about technical questions, etc.).

e. Client Assistance Package

(1) Content of client assistance package including the tasks to be performed by City personnel, the number of hours associated with each task and the total number of hours to be spent by City personnel in assisting auditors.

The evaluation will be based upon the following areas:

Completeness of response to the  
RFP Relevant experience  
WBE/MBE Stability  
Price

The Offeror must insure that employees and applicants for employment are not discriminated against because of their race, color, religion, sex, national origin, disability, or familial status and those requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, are met.

All successful bidders must meet the terms and conditions of:

- 24 CFR Part 85
- OMB Circular A-87
- Section 3 of the Intergovernmental Cooperation Act of 1968
- Section 109 of the Housing Act of 1974
- Title VI of the Civil Rights Act
- Executive Order 11246, Equal Employment Opportunity, if the Contract exceeds \$10,000.
- The Fair Housing Act, as amended.
- Any program regulations about Conflict of Interest.
- Federal Access to Records.
- Executive Order 11625 and section 504 of the Rehabilitation Act of 1973.
- The American Disabilities Act of 1990.

#### ASSIGNMENT OF KEY STAFF

The key member(s) of the contract identified must be assigned to the contract and must remain assigned to the contract for its duration, unless the City agrees in writing to modify the assignment. If a key member leaves during the course of the contract, the City must be notified immediately, and the contractor must submit the replacements name and credentials for approval by the City prior to that person starting work on the contract.

#### SELECTION COMMITTEE AND PROCEDURE FOR REVIEW OF PROPOSALS

~~A Selection Committee will be established to review and evaluate all proposals submitted in response to this~~

Request for Proposals (RFP). The Committee shall conduct a preliminary evaluation of all proposals based on the information provided. The Committee will first review each proposal for compliance with the minimum qualifications and mandatory requirements of the RFP. Failure to comply with any mandatory requirements may disqualify a proposal.

The City reserves the right to reject any and all proposals and to waive minor irregularities. The City further reserves the right to seek new proposals when such a procedure is reasonably in the best interest of the City to do so.

#### QUESTIONS REGARDING SPECIFICATIONS OR PROPOSAL PROCESS:

To ensure fair consideration for all proposers, the City prohibits communication to or with any department director, division manager or employee during the submission process with the exception of those questions relative to interpretation of specifications or the proposal process. No interpretations of the meaning of the RFP documents will be made to any bidder orally.

Every request for such interpretation shall be in writing to the City of Reading Purchasing Office, and to be given consideration must be received in writing prior to 10:00 A. M. on Monday, November 3, 2014. Direct inquiries to:

Tammi Reinhart, Purchasing Coordinator  
City Hall, Rm. 2-45  
815 Washington Street  
Reading, PA 19601  
FAX - (610) 655-6427  
tammi.reinhart@readingpa.org

Any and all such interpretation will be in the form of an Addendum to the Contract Documents and will be issued to all prospective proposers no later than Tuesday, November 11, 2014.

Additionally, the city prohibits communications initiated by a proposer to any City Official or employee evaluating or considering the proposals prior to the time an award decision has been made. Any communication between proposer and the City will be initiated by the appropriate City Official or employee in order to obtain information or clarification needed to develop a proper, accurate evaluation of the proposal. Such communications initiated by a proposer may be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal.

## NON-COLLUSION AFFIDAVIT

### INSTRUCTIONS FOR NON-COLLUSION AFFIDAVIT

This Non-Collusion Affidavit is material to any contract pursuant to this bid. According to the Pennsylvania Antirigging Act, 73 P.S. 1611 et seq., governmental agencies may require Non-Collusion Affidavits to be submitted together with proposals.

This Non-Collusion affidavit must be executed by the member, officer, or employee of the proposer who is authorized to legally bind the proposer.

Bid/Proposal rigging and other efforts to restrain competition, and the making of false sworn statements in connection with the submission of proposals are unlawful and may be subject to criminal prosecution. The person who signs the Affidavit should examine it carefully before signing and assure himself or herself that each statement is true and accurate, making diligent inquiry, as necessary, of all other persons employed by or associated with the proposer with responsibilities for the preparation, approval, or submission of the bid.

In the case of a proposal submitted by a joint venture, each party to the venture must be identified in the proposal documents, and an Affidavit must be submitted separately on behalf of each party.

The term "complementary bid/proposal" as used in the Affidavit has the meaning commonly associated with that term in the RFP process, and includes the knowing submission of proposals higher than the proposal of another firm, any intentionally high or noncompetitive proposal, and any form of proposal submitted for the purpose of giving a false appearance of competition.

Failure to file an Affidavit in compliance with these instructions will result in disqualification of the proposal.

NON-COLLUSION AFFIDAVIT

State of \_\_\_\_\_

County of \_\_\_\_\_

\_\_\_\_\_, being first duly sworn, deposes and says that:

He/She is \_\_\_\_\_ of the Proposer that has  
(Owner, Partner, Officer, Representative or Agent)  
submitted the attached Proposal;

He/She is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal;

Such Proposal is genuine and is not a collusive or sham Proposal;

Neither the said Proposer nor any of its officers; partners, owners, agents, representatives, employees or parties in interest, including this affidavit, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Proposer, firm or person to submit a collusive or sham Proposal in connection with the Contract for which the attached Proposal is submitted or to refrain from submitting in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication of conference with any other Proposer, firm or person to fix the price or prices in the attached Proposal or of any other Proposer, or to fix any overhead, profit or cost element of the Proposal price or the Proposal price of any other Proposer, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Reading or any person interested in the proposed Contract;

The price or prices quoted in the attached Proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this affidavit; and,

Neither the said Proposer nor any of its officers, partners, owners, agents or parties in interest, have any interest, present or prospective, that can be reasonably construed to result in a conflict of interest between them and the City of Reading, which the Proposer will be required to perform.

I state that \_\_\_\_\_ understands  
(Name of Firm)

and acknowledges that the above representations are material and important, and will be relied on by the City of Reading in awarding the Contract(s) for which this Bid is submitted. I understand and my firm understands that any misstatement in this Affidavit is and shall be treated as fraudulent concealment from the City of Reading of the true facts relating to the submission of bids for this Contract.

\_\_\_\_\_  
(Name and Company Position)

SWORN TO AND SUBSCRIBED  
BEFORE ME THIS \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires:

NON DISCRIMINATION STATEMENT

The undersigned hereby certifies that it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, handicap, familial status, or national origin. The undersigned shall take affirmative action to insure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, handicap, familial status, or national origin.

\_\_\_\_\_

\_\_\_\_\_  
BIDDER

\_\_\_\_\_  
TITLE

**PROVIDER'S CERTIFICATION OF NON-INDEBTEDNESS  
TO THE CITY OF READING**

Provider hereby certifies and represents that Provider and Provider "parent company(ies) and subsidiary(ies) are not currently indebted to the City of Reading (the "City"), and will not at any time during the term of this Contract (including any extensions or renewals thereof) be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Provider acknowledges that any breach or failure to conform to this certification may, at the option of the City, result in the withholding of payments otherwise due to Provider and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments and/or the termination of this Contract for default (in which case Provider shall be liable for all excess costs and other damages resulting from the termination).

\_\_\_\_\_  
Name of Provider

By: \_\_\_\_\_  
Authorized Signatory

Title: \_\_\_\_\_  
President or Vice President

Attest: \_\_\_\_\_

(Schedule "A")

# CITY FUNDS SUBJECT TO AUDIT

The following funds maintained by the City of Reading are to be included in the audit:

<b>Fund Name</b>	<b>Fund #</b>
General Fund	01
Capital Reserve - Water	11
Capital Reserve - Sewer	12
Shade Tree	20
Agency Fund	31
Community Development Fund	32
Capital Projects Fund	34
Motor License Fund	35
Debt Services (Sinking) Fund	40
Water Fund	50
Self-Insurance	52
Sewer Enterprise Fund	54 & 55
Recycling/Trash Fund	56
General Long Term Debt Group	70
General Fixed Asset Group	71
Sick Leave Pool	80

City Pension Funds:

Police	90
Paid Firemen's	91
Officers' and Employees	92

This list represents funds in existence at January 1, 2014. Funds may be added or deleted during the term of this engagement.

(Schedule "B")

Listing of Federal Funds

**\* Major Programs**

<b><u>Grant Title</u></b>	<b><u>Grant Number</u></b>	<b><u>Grantor Agency</u></b>
* Community Development	B12 MC 42 0013	U.S. Dept of H.U.D.
Block Grant	B13 MC 42 0013	
Emergency Shelter	E11 MC 42 0006	U.S. Dept of H.U.D.
Grant	E12 MC 42 0006	
	E13 MC 42 0006	
* HOME Program	M10 MC 42 0204	
	M11 MC 42 0204	U.S. Dept of H.U.D.
	M12 MC 42 0204	
	M13 MC 42 0204	
NSP2 (ARRA)	B09 CNPA 0014	U.S. Dept. of H.U.D.
Fair Housing	FF203K113012	U.S. Dept of H.U.D.
	FF203K123012	
	FF203K133012	

<b><u>Grant Title</u></b>	<b><u>Grant Number</u></b>	<b><u>Grantor Agency</u></b>
S.A.F.E.R.	EMW 2012 FH 00197	FEMA
Assistance to Firefighters grant program – radios	EMW 2011 FR 004	Homeland Security thru PEMA
Assistance to Firefighters grant program – equipment	EMW 2012 FO 01481	Homeland Security thru PEMA
Edward Byrne Memorial Justice Assistance Program	2010 DJ BX 0863	U.S. D.O.J
Edward Byrne Memorial Justice Assistance Program	2011 DJ BX 2349	U.S. D.O.J.
Edward Byrne Memorial Justice Assistance Program	2012 DJ BX 0092	U.S. D.O.J.
Edward Byrne Memorial Justice Assistance Program	2013 DJ BX 1018	U.S. D.O.J.
C.O.P.S.	2008 CK WX 0171	U.S. D.O.J.
C.O.P.S.	2008 CK WX 0255	U.S. D.O.J.