



REQUEST FOR PROPOSALS FOR ACCOUNTING SERVICES

Questions & Answer

- Q.1. Does 'Remotely Allowing of the work' include offshore remote as well or confined to only the USA?**
- A. Yes, remote work can include offshore remote. CVRPC recommends that bidders proposing to work from time zones that are more than two (2) hours different from Eastern Standard Time expand on their availability as it relates to communication and responsiveness.
- Q.2. How would a potential bidder demonstrate experience / references on "2 CFR Part 200, requirements for State of Vermont grantees and contractors, other applicable laws and requirements, and best management practices"?**
- A. A potential bidder would discuss the previous work the bidder has completed related to 2 CFR Part 200 and requirements for state grantees and contractors, etc. The bidder also might discuss what the bidder considers as best management practices for accounting that involves state and federal requirements.
- Q.3. How many full time / part time resources have been allocated by the current service provider?**
- A. The current service provider has a manager and a staff accountant on the engagement, as well as a separate payroll specialist who spends a small amount of time on the engagement. All of these resources are part time, based on the demand/schedules of the client for that month/quarter.
- Q.4. What are the types of insurance and applicable coverage requirements?**
- A. Insurance requirements are included as Attachment A to this document.
- Q.5. How many employees are to be added for insurance coverage?**
- A. See *Additional Insured* in Attachment A. CVRPC currently has 10 permanent employees and two seasonal interns.

Q.6. What are the annual volumes for product-based invoices which have been mentioned as “10 product based periodically?”

- A. The annual volume for product-based invoices varies with the number and requirements of the specific contracts. QuickBooks invoices are prepared for all contracts monthly. Most product-based contracts require the QuickBooks invoices be translated to funder invoices or payment portals. Currently, CVRPC has nine product-based contracts requiring translation to a total of ~15-20 funder invoices/payment portals in a 12-month period.

Q.7. Please elaborate scope of work and involvement for preparation of indirect cost proposal.

- A. Vermont Regional Planning Commissions (RPC) do not have a cognizant federal agency; most RPC is passed through the State of Vermont. The Vermont Agency of Transportation (VTrans) serves as the RPCs’ cognizant federal agency. All 11 RPCs signed a Memorandum of Agreement (MOA) with VTrans in 2014. The MOA prescribes use of a fixed rate as defined in 2 CFR 225 Appendix E, Section B. Definitions, item 6. The rate is determined in accordance with 2 CFR 225, Section C. Future year adjustments are made as a carry forward to the subsequent period, which is two years from the date of the audit.

The contractor uses audited financial statements to prepare a breakout of indirect, direct, and unallowable costs and to compare actual indirect costs against funds received to determine the future year adjustment. One VTrans-prescribed spreadsheet reports actual indirect billings/revenues, and one spreadsheet calculates the new indirect rate. The second spreadsheet allows RPCs to further adjust the proposed rate based on estimates for the year the rate will be applied.

The contractor prepares an Indirect Cost Rate Proposal that includes a Cost Policy Statement following the format provided by the US Department of Labor in its document titled, *A Guide for Indirect Cost Determination*. The Executive Director then reviews and signs the proposal for submission to VTrans and initiation of the negotiation process. Since 2014, the negotiation process has been minimal, usually responding to 1-2 questions or providing additional justification for the estimates.

Q.8. Please clarify if Payroll involves preparing payroll for employees or only accounting of payroll in the financial system?

- A. Payroll involves preparing payroll for employees. Bidders may propose using a payroll service at the bidder’s expense.

Q.9. Is all process documentation currently used by the accounting team updated and available? Will these be shared with the new accounting team?

A. Most, but not all, process documentation is maintained and is relatively up to date as within six (6) months. They will be shared with the new firm.

Q.10. What will be the time zone in which the accounting team needs to work? Can all back-office activities be performed in the non-working hours?

A. CVRPC operates in the Eastern Standard Time Zone. Bidders proposing to work from time zones that are more than two (2) hours different from the Eastern Standard Time Zone should discuss how contractor availability might affect service delivery and how communications will be maintained.

11. Will a bidder's out-of-Vermont location be a negative factor in determining the awarding of the contract? In other words, will an out-of-state contractor be considered only if you are not able to find a suitable service provider from Vermont / adjoining states?

A. We do not require bidders be located within Vermont. CVRPC's current accounting contractor is located in Virginia and its staff located in the US and other countries.

ATTACHMENT A

Insurance Requirements

Before commencing services, the Contractor must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Contractor to maintain current certificates of insurance on file with the CVRPC through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Contractor for the Contractor's operations. These are solely minimums that have been established to protect the interests of the CVRPC and the State of Vermont.

Workers Compensation: With respect to all operations performed, the Contractor shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the Contractor shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

- Premises - Operations
- Products and Completed Operations
- Personal Injury Liability
- Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

- \$1,000,000 Each Occurrence
- \$2,000,000 General Aggregate
- \$1,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal & Advertising Injury
- \$50,000 Fire/Legal/Liability

Automotive Liability: The Contractor shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If

performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the CVRPC and the State of Vermont and their agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the CVRPC and the State of Vermont and their agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the CVRPC.