



**South Central Texas Regional Certification Agency
3201 Cherry Ridge Street, Building B, Suite 210
San Antonio, TX 78230**

REQUEST FOR PROPOSAL (SCTRCA - RFP 2022-00101)

For

CERTIFICATION AUDIT SERVICES

ISSUE DATE: August 5, 2022

RESPONSE DUE DATE: September 6, 2022



REQUEST FOR PROPOSAL (RFP 2022-00101)
CERTIFICATION AUDIT SERVICES

1. Purpose

The South Central Texas Regional Certification Agency (“SCTRCA”) is currently seeking proposals for Auditing Services for Review of its administration of DBE/ACDBE, HUB and business certification policies and procedures (“SCTRCA Project”).

Key Dates

July 15, 2022	Ad Hoc Certification Audit Committee to review requirements
July 22, 2022	Ad Hoc Certification Audit Committee to Develop Request For Proposals
July 25, 2022	Board Consideration and Approve Request For Proposals
August 5, 2022	Issue Request for Proposals
August 17, 2022	Non-Mandatory Pre-Proposal Bid Conference at South Central Texas Regional Certification Agency (SCTRCA) 10:00 AM (CST) Virtual Option: Join Zoom Meeting https://us02web.zoom.us/j/84561307070?pwd=MVhrQ2h1ekw4d1FvWHRlZGZwYXNlUdz09
August 19, 2022 By 12:00 PM (CST)	Questions Submission Deadline: Questions due no later than 12:00 PM (CST) to the SCTRCA at info@sctrca.org .
August 24, 2022 By 12:00 PM (CST)	Responses to Respondent questions posted on the SCTRCA website by 12:00 PM (CST)
September 6, 2022 By 12:00 PM (CST)	Proposal Submission Deadline: Proposals due by 12:00 PM (CST)
September 8, 2022	Ad Hoc Certification Audit Committee to review proposals, short list or recommend award and deliver proposals to full Board for review and evaluation
September 12, 2022	SCTRCA Special Board Meeting: Board of Directors to review proposals, interview, if necessary, and award contract
November 7, 2022	Certification Audit Report due

November 9, 2022 Ad Hoc Certification Audit Committee to review Independent Auditor's Report

November 15, 2022 Ad Hoc Certification Audit Committee Briefing of the Board of Directors with Independent Auditor

2. Background

Incorporated on September 23, 1998, the SCTRCA is a non-profit 501(c)(3) corporation established by certain local governments and other qualified entities ("Participants"), who entered into an Interlocal Cooperation Agreement in the same year for the purpose of receiving, reviewing, auditing and certifying applications for disadvantaged, minority and/or women-owned businesses for the Participants.

The SCTRCA provides services to San Antonio and certain surrounding counties, as determined from time to time, in accordance with the Texas Unified Certification Program ("TUCP") and SCTRCA Board Policy and Procedures. The SCTRCA governing board consists of designated representatives of the Participants and has an annual budget of approximately \$400,000.

In furthering its Mission, the SCTRCA is committed to promoting the utilization of small, disadvantaged, minority and woman-owned businesses. The SCTRCA maintains a directory, SCTRCA Directory, which is a listing of active firms with certifications for the following designations: DBE/ACDBE and S/M/W/V/DI. There are presently approximately 474 DBE/ACDBE certified firms 2,949 S/M/W/V/DI certified firms listed in the SCTRCA Directory. The SCTRCA encourages such businesses to respond to this proposal and will be given equal consideration.

Such commitment is further served by the SCTRCA achieving its goal to promote the utilization of small, disadvantaged, minority and woman-owned businesses. To this end, such businesses are encouraged to respond to this proposal and will be given equal consideration.

3. Scope of Work

The SCTRCA seeks services to conduct a Certification Audit. Since the SCTRCA is the unified certification source utilized by the Participants, it is responsible for receiving, reviewing, auditing and certifying applications for each of the certifications offered by the SCTRCA. The currently offered certifications are listed below. The SCTRCA seeks a review and assessment of its certification policies and procedures as well as its administration of said certifications.

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Certifications Issued by the SCTRCA

1. African American Business Enterprise
2. African American Business Enterprise
3. Disabled Individual Business Enterprise
4. Emerging Small Business Enterprise
5. Hispanic American Business Enterprise
6. Minority Business Enterprise
7. Native American Business Enterprise
8. Small Business Enterprise
9. Veteran-Owned Business Enterprise
10. Woman-owned Business Enterprise
11. Disadvantaged Business Enterprise
12. Airport Concession Disadvantaged Business Enterprise
13. Historically Underutilized Business

In this review and assessment, the SCTRCA requires the examination of and report on the SCTRCA's internal controls to include compliance with the governing documents, contracts, policies, laws and regulations.

The SCTRCA will provide upon contract award the necessary documentation for the examination of the SCTRCA's Internal Controls in the administration of DBE/ACDBE, HUB and Business Certifications Policies and Procedure.

Striving to meet and exceed better and best practices, the SCTRCA also seeks recommendations on ways to improve and continue to ensure its certification policies, procedures and practices are the best they can be for an entity of its size and service delivery.

- A. The Independent Auditor shall audit the SCTRCA's administration of DBE/ACDBE, HUB and business certifications, with focus on the SCTRCA's internal controls for compliance as it relates to all of the certification types the SCTRCA issues.
- B. The Independent Auditor shall express an opinion as to the level of compliance and efficacy of SCTRCA policies and practices in its certification process.
- C. The Independent Auditor shall provide recommendations to the SCTRCA on how to improve and continue to ensure better and best practices are followed in the certification process.

Time is of the essence and the SCTRCA is anticipating a presentation from the Auditor of all findings and recommendations to its Board of Directors at its regular meeting in November 2022. Audit must be complete and delivered to SCTRCA no later than November 7, 2022.

4. Instructions to Bidders

4.1 Questions. All questions concerning this RFP should be delivered in writing. **Please email the SCTRCA at info@sctrca.org no later than August 19, 2022 at 12:00 PM CST.** The subject line should indicate "SCTRCA - RFP 2022-00101 Question/Clarification". Any questions

received after said date and time are the discretion of the Certification Audit Committee of the SCTRCA to answer.

4.2 Submittals. **All proposals must be received by September 6, 2022 by 12:00 PM CST.**

Electronic Submissions shall be in PDF Format and emailed to the SCTRCA at info@sctrca.org. The subject line of the email should read “SCTRCA RFP 2022-00101 Certification Audit Services”.

Submissions may be mailed or hand-delivered in a sealed envelope to the SCTRCA office at:

South Central Texas Regional Certification Agency
3201 Cherry Ridge St. Ste B-210
San Antonio, Texas 78230

4.3 The bid should be clearly marked “SCTRCA - RFP 2022-00101 Certification Audit Services”.

4.4 The SCTRCA is not responsible for any delays in mail from a carrier. Late proposals will not be accepted.

5. Instructions and Format of Submittals

Proposal fee structure should consider the following:

5.1 Preparation of Independent Auditor’s Report in conformity with generally accepted auditing principles in the United States of America for the time period of July 1, 2020 – June 30, 2022. Time is of the essence and the SCTRCA is anticipating a presentation from the Auditor of all findings and recommendations to its Board of Directors at its regular meeting in November 2022. Audit must be complete and delivered to the SCTRCA’s Executive Director, Board of Director Chairperson and Chair of the Certification Audit Committee no later than November 7, 2022.

Report may be submitted earlier than above date. However, the selected respondent shall not delay the delivery date or milestone schedule unless it receives written approval from the Executive Director.

5.2 Fees/prices provided must include all expenses, travel, living and other expenses for the contract term. Clearly define all fees, charges, etc. that may be incurred.

5.3 Proposals should be prepared simply and economically, providing a straightforward, concise description of the Respondent’s ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements and specifications.

5.4 The SCTRCA reserves the right to seek clarification of any item contained in the Respondent’s proposal prior to final selection.

5.5 The SCTRCA reserves the right to reject any and all proposals received in response to this RFP.

5.6 The proposal should be no longer than 40 pages in length on 8 x 11 paper. Proposal should clearly indicate a point of contact name, phone number, email address and return address. The proposal should be organized as follows:

1. Title Page
2. Executive Summary
3. Company Background
 - a. Narrative description of firm, size, certifications (if applicable), etc.
 - b. Representative listing of current clients
 - c. Two (2) references for which firm has provided similar services within the last five (5) years
 - d. Potential conflicts of interest [COI Form]
4. Proposed Staff
 - a. Please only include staff that will work on the audit team. Such items to include are
 - i. Resumes,
 - ii. Certifications,
 - iii. Licenses,
 - iv. Education,
 - v. Position in the firm;
 - vi. Years of experience.
5. Proposed Schedule, Methodology and Pricing
 - a. Confirm all tasks that will be performed
 - b. Milestones
 - c. Pricing
 - d. Quality assurance procedures

6. Payment and Certain Contractual Terms

6.1 An invoice for payment may be submitted to the SCTRCA when the Independent Auditor delivers and the SCTRCA receives and accepts the draft audit. The SCTRCA reserves the right to reject the report of the Independent Auditor. The right to reject a report shall extend throughout the term of this contract and for ninety (90) days after the Firm submits the final invoice for payment.

6.2 The SCTRCA may withhold, amend, or reject any request for payment by the Independent Auditor under conditions that include the following:

- 6.2.1 Independent Auditor's failure to invoice;
- 6.2.2 Errors or mistakes in the Auditor's invoice and/or defects;
- 6.2.3 Errors and omissions in the documents prepared by the Auditor or Auditor's sub-consultants which are the basis for the payment request; and
- 6.3.4 Failure of the Auditor to render any service as stipulated by this Agreement.

If any of these conditions exist, then interest charges will not be applicable. The SCTRCA shall provide the Independent Auditor with written notice through its Executive Director of its intention to withhold, amend, or reject any request for payment by the Auditor. Within ten (10) business

days after the date of notice sent by the SCTRCA to the Independent Auditor, representatives of the SCTRCA will meet with representatives of the Independent Auditor at a mutually agreed time to discuss the circumstances surrounding the determination to withhold, amend, or reject any request for payment by the Auditor.

6.3 Upon delivery of final audit and presentation to the Board of Directors, the Firm may submit a final invoice for any balance due on the contract for the audit services rendered.

6.4 Alternative Dispute Resolution. Any controversy or claim arising out of or relating to this contract is to be settled at the lowest level possible. If the parties to this contract are unable to come to a resolution on their own, then any arising dispute shall be resolved first by Mediation with a mutually agreed upon Mediator. If Mediation is unsuccessful, then the next method of seeking resolution shall be by Arbitration, in accordance with the rules of the American Arbitration Association or JAMS as agreed upon by the parties. The cost of both Mediation and, if necessary, Arbitration shall be shared equally by both parties. The decision rendered may be entered in any court having jurisdiction.

6.5 Insurance Requirements/Indemnification. The SCTRCA requires the Independent Auditor to maintain the same insurance requirements as those set forth in Attachment B, Insurance Provisions. Nothing in this contract or any subcontractor agreement shall create any contractual obligation or other liability of the SCTRCA to any subcontractor or its employees. The Independent Auditor agrees to bind every subcontractor to the terms of this contract.

7. Confidentiality

Whereas, the Parties have entered into a business relationship which will involve the disclosure by SCTRCA to the Independent Auditor of certain confidential, privileged, technical, financial, business, marketing, planning, and other information, ideas, concepts, designs, specifications, and data, in written, oral, electronic, photographic, and/or other forms, including without limitation, information about SCTRCA's services and operations, and its clients' data (collectively "Confidential Information"). This Confidential Information is not generally known to the public or to others who could obtain economic value from its disclosure or use of the Confidential Information. This disclosure includes all communication between the Parties, in any form whatsoever, including oral, written, electronic or machine-readable format.

Whereas, SCTRCA is willing to disclose and the Independent Auditor is willing to receive Confidential Information based upon the terms and conditions set forth herein.

NOW, THEREFORE, THE PARTIES HEREBY AGREE TO THE FOLLOWING TERMS AND CONDITIONS AS THEY RELATE TO THE DISCLOSURE OF CONFIDENTIAL INFORMATION CONSIDERED PROPRIETARY BY SCTRCA AND THE INDEPENDENT AUDITOR.

7.7.1 Confidential Information.

Confidential Information includes any and all information that should be reasonably understood by The Independent Auditor, because of markings or legends, the circumstances of disclosure, or

the nature of the information itself, to be Confidential Information, regardless of whether the information is marked "Confidential." All information obtained during the course of this relationship should be presumed to be confidential unless the information is clearly identified as otherwise or the circumstances of disclosure demonstrate it is not confidential.

Confidential information also includes, without limitation, information: (a) created, written, discussed, developed, secured, obtained or learned, solely or jointly with others, at the request of or suggestion of SCTRCA or otherwise, with SCTRCA materials, tools, or instruments, on or off SCTRCA premises; and (b) all confidential and proprietary material that The Independent Auditor may design, create, produce or develop during the course of this relationship.

The Independent Auditor agrees to promptly and fully disclose to SCTRCA any Confidential Information the Independent Auditor designs, creates, produces or develops in the course of the Independent Auditor's relationship with SCTRCA which is subject to copyright protection or which may be protected as a trade secret.

Additionally, notwithstanding the above, the definition of "Confidential Information" herein shall be deemed not to include information that is specifically identified by SCTRCA as not being proprietary or confidential.

Any information that is provided by SCTRCA as SCTRCA client data is classified, by default, as Confidential Information regardless of whether or not the Confidential Information is labeled as such.

The Independent Auditor agrees that, if at any time during the term of this contract with SCTRCA, the Independent Auditor has questions or is unsure about whether Confidential Information or knowledge is either proprietary or confidential to a third party or to SCTRCA, the Independent Auditor will promptly ask SCTRCA any questions the Independent Auditor may have as they arise from time to time.

7.7.2 Maintain as Confidential.

The Independent Auditor agrees to receive the Confidential Information in confidence, agrees to treat and hold as confidential and private the Confidential Information, and will refrain from using the Confidential Information for any purpose other than the purpose of this SCTRCA Project, as covered under the terms of this Agreement.

- 7.7.2.1 The Independent Auditor shall use such Confidential Information only for the purpose of the SCTRCA Project.
- 7.7.2.2 The Independent Auditor shall restrict disclosure of Confidential Information to its employees with a need to know and advise its employees of the obligations assumed in this Agreement.
- 7.7.2.3 The Independent Auditor shall not disclose such Confidential Information to any third party except as otherwise provided in this Agreement.
- 7.7.2.4 The Independent Auditor shall protect such Confidential Information by using the same degree of care, which shall be no less than reasonable care, to prevent

its unauthorized disclosure as the Independent Auditor uses to protect its own confidential information of similar nature.

- 7.7.2.5 The Independent Auditor's obligation to keep the Confidential Information in confidence, as provided in this Agreement, shall remain in effect, without exception, until the Independent Auditor can prove that such item of Confidential Information was either (1) made public through no fault of the Independent Auditor or (2) was lawfully obtained by the Independent Auditor after the termination from a source other than SCTRCA without a breach of duty of confidentiality.

7.7.3 Disclosure to the Independent Auditor's collaborating partners or employees.

Notwithstanding the restrictions in Section 2, the Independent Auditor may disclose Confidential Information to the Independent Auditor's collaborating partner or customer on a need to know basis if each of the following conditions are met:

- 7.7.3.1 The Independent Auditor executes a non-disclosure agreement with such party with safeguards against disclosure, with the exception of Section 3, that are substantially similar and no less restrictive than the terms and conditions of this Agreement;
- 7.7.3.2 Such collaborating partner must expressly agree that the Confidential Information is provided as a courtesy by the Independent Auditor creating no duty, obligation or other relationship between such party and SCTRCA;
- 7.7.3.3 The Independent Auditor acknowledges by its signature hereto that disclosure of the substance of the Confidential Information, in whole or in part, shall be deemed a breach of this Agreement between the Independent Auditor and SCTRCA; and,

The Independent Auditor agrees in the event of a disclosure of Confidential Information by such party, the Independent Auditor shall be obligated to bring an action against such party to enforce the terms of the non-disclosure agreement between the Independent Auditor and such party. In no event shall a non-disclosure agreement between another party and the Independent Auditor permit such party to disclose information to any third party absent SCTRCA express consent.

7.7.4 Mandatory Disclosure Requirement.

Each Party further agrees that if the Independent Auditor is legally required, for example by a court order, to disclose any portion of SCTRCA's Confidential Information, the Independent Auditor shall promptly notify SCTRCA so that SCTRCA may seek an appropriate order or waive compliance with the provisions of this Non-Disclosure Agreement. If compliance with this Non-Disclosure Agreement is waived, or a protective order is not granted, the Independent Auditor agrees to furnish only that portion of the Confidential Information which is legally required and will exercise his/her reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so disclosed. It is agreed and understood that

disclosure of Confidential Information in accordance with this paragraph shall not violate this Non-Disclosure Agreement.

The restrictions on the disclosure of Confidential Information shall not preclude the Independent Auditor, on advice of legal counsel from complying with applicable law, regulation, other governmental requirement or other demand under lawful process, if the Independent Auditor first gives notice to SCTRCA of the required disclosure and cooperates with SCTRCA in seeking reasonable protective arrangements. In no event shall the Independent Auditor be required to take any action which, on the advice of legal counsel, could result in the imposition of sanctions or other penalties in a court of law or an administrative or governmental body.

7.7.5 Title to Confidential Information.

All rights, title and interest in and to all Confidential Information related to this SCTRCA Project is vested exclusively in SCTRCA, including but not limited to, Confidential Information or work product which the Independent Auditor may author, create or develop in the course of the Independent Auditor's relationship with SCTRCA.

No license, under any trademark, patent, copyright or any other intellectual property right, is either granted or implied by the conveying of Confidential Information to the Independent Auditor. None of the information disclosed by SCTRCA shall constitute any representation, warranty, assurance, guarantee or inducement by SCTRCA of any kind, particularly with respect to the non-infringement of intellectual property rights, or other rights of third parties of SCTRCA.

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8. Proposal Evaluation

The responsive proposals will be reviewed and scored by members of the SCTRCA's Finance Committee based off criteria listed below. If deemed necessary, interviews will be scheduled. The Finance Committee will then make recommendations to the full Board of Directors to proceed with negotiations and contract execution.

Evaluation (Scoring):

Experience & Qualifications	35%
Approach and Methodology for the SCTRCA Project	25%
Project milestones/schedule	20%
Pricing	20%
	<hr/>
	100%

Attachment

Attachment A: SCTRCA Insurance Provisions

ATTACHMENT A
SCTRCA INSURANCE REQUIREMENTS

With respect to Contractor's performance under this Agreement, and in addition to Contractor's obligation to indemnify, Contractor shall at its sole cost and expense:

1. Maintain the insurance coverages and limits required by this Attachment and any additional insurance and/or bonds as may be required by Laws:
 - a. At all times during the term of this Agreement and until completion of all Work associated with this Agreement, whichever is later; and
 - b. With respect to any coverage maintained in a "claims-made" policy, for two (2) years following the term of this Agreement or completion of all Work associated with this Agreement, whichever is later. If a "claims-made" policy is maintained, the retroactive date must precede the commencement of all Work under this Agreement;
2. Require each subcontractor who may perform Work under this Agreement or enter upon the Work site to maintain coverages, requirements, and limits at least as broad as those listed in this Exhibit, and in accordance with this Agreement, from the time when the subcontractor begins Work, throughout the term of the subcontractor's Work and, with respect to any coverage maintained on a "claims-made" policy, for two (2) years after Work is completed;
3. Procure the required insurance from an insurance company (1) eligible to do business in the state of Texas and/or states where Work will be performed, (2) having and maintaining a Financial Strength Rating of "A-" or better and (3) a Financial Size Category of "VII" or better, as rated in the A.M. Best Key Rating Guide for Property and Casualty Insurance Companies, except that, in the case of Workers' Compensation insurance, Contractor may procure insurance from the state fund of the state where Work is to be performed; and
4. Deliver to SCTRCA certificates of insurance stating the types of insurance and policy limits for each required coverage. Contractor shall provide or will endeavor to have the issuing insurance company provide at least thirty (30) days advance written notice to SCTRCA of cancellation, non-renewal, or reduction in coverage, terms, or limits. Contractor shall deliver such certificates:
 - a. Prior to execution of this Agreement and prior to commencement of any Work;
 - b. Prior to expiration of any insurance policy required in this Section; and
 - c. For any coverage maintained on a "claims-made" policy, for two (2) years following the term of this Agreement or completion of all Work associated with this Agreement, whichever is later.

5. The Parties agree that:
 - a. The failure of SCTRCA to demand such certificate of insurance or failure of SCTRCA to identify a deficiency will not be construed as a waiver of Contractor's obligation to maintain the insurance required under this Agreement;
 - b. The insurance required under this Agreement does not represent that coverage and limits will necessarily be adequate to protect Contractor, nor shall it be deemed as a limitation on Contractor's liability to SCTRCA in this Agreement;
 - c. Contractor may meet the required insurance coverages and limits with any combination of primary and Umbrella/Excess liability insurance; and
 - d. Contractor is responsible for any deductible or self-insured retention.
6. The insurance coverage required by this Attachment, in accordance with this Agreement includes:
 - a. Workers' Compensation insurance with benefits afforded under the laws of any state in which the Work is to be performed and Employers Liability insurance with limits of at least:
 - \$500,000 for Bodily Injury – each accident
 - \$500,000 for Bodily Injury by disease – policy limits
 - \$500,000 for Bodily Injury by disease – each employee
 - b. To the fullest extent allowable by law, the policy must include a waiver of subrogation in favor of SCTRCA and its directors, officers and employees.
 - c. In states where Workers' Compensation insurance is a monopolistic state-run system, Contractor shall add Stop Gap Employers Liability with limits not less than \$500,000 each accident or disease.
7. Commercial General Liability insurance written on Insurance Services Office (ISO) Form CG 00 01 12 04 or a substitute form providing equivalent coverage, covering liability arising from premises, operations, personal injury, products/completed operations, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract) with limits of at least:
 - \$1,000,000 General Aggregate limit
 - \$1,000,000 each occurrence limit for all bodily injury or property damage incurred in any one (1) occurrence
 - \$1,000,000 each occurrence limit for Personal Injury and Advertising Injury
 - \$1,000,000 Products/Completed Operations Aggregate limit
8. The Commercial General Liability insurance policy must:

- a. Include SCTRCA and its directors, officers, and employees as Additional Insureds. Contractor shall provide a copy of the Additional Insured endorsement to SCTRCA. The Additional Insured endorsement may either be specific to SCTRCA or may be “blanket” or “automatic” addressing any person or entity as required by contract.

A copy of the Additional Insured endorsement must be provided within thirty (30) days of execution of this Agreement and within thirty (30) days of each Commercial General Liability policy renewal;

- b. Include a waiver of subrogation in favor of SCTRCA and its directors, officers and employees; and
 - c. Be primary and non-contributory with respect to any insurance or self-insurance that is maintained by SCTRCA.
9. Professional Liability (Errors & Omissions) insurance with limits of at least \$1,000,000 each claim or wrongful act and in the aggregate.