



Buffalo & Fort Erie Public Bridge Authority

Request for Proposals for Professional Audit Services

100 Queen Street
Fort Erie, Ontario
L2A 3S6

June 25, 2019

BUFFALO & FORT ERIE PUBLIC BRIDGE AUTHORITY

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I. INTRODUCTION

A. General Information

The Buffalo & Fort Erie Public Bridge Authority (the "Authority"), owner and operator of the Peace Bridge, requests proposals (RFP) from public accounting firms in the Buffalo, New York and Fort Erie, Ontario area to provide accounting services and to audit the financial statements of the Authority.

This RFP is not intended to create and does not create any legally binding contract with any Proponents. No legal relationship or obligation shall be created between any Proponent and the Authority until the execution of a contract between the Selected Proponent and the Authority.

All qualified applicants will be afforded equal opportunity without discrimination because of race, creed, color, national origin, sex, age, disability, veteran status or marital status. The Authority encourages minority and women-owned businesses to submit proposals.

B. Requirements

The Authority's Administrative Offices are located in Fort Erie, Ontario. Professionals may be required to travel to and have the ability to work in Canada, as required. Work permits may be required at the expense of the Proponent.

To be considered for this engagement, five (5) hard copies and one (1) electronic copy of the proposal must be received by Leah Ann Wutzke, Finance Supervisor to: 100 Queen Street, Fort Erie, Ontario L2A 3S6 by the time and date set forth herein. The Authority reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by a Selection Committee determined by the Authority.

During the evaluation process, the Authority reserves the right, where it may serve the Authority's best interest, to request additional information or clarification from Proponents or to allow corrections of errors or omissions. At the discretion of the Selection Committee, Proponents submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Authority 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 Proponent of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Authority and the Selected Proponent.

C. Term of Service

Assuming satisfactory service, the PBA anticipates maintaining accounting services and audit services with the successful proponent for five (5) years. The audit of the financial statements would be for the fiscal years ending December 31, 2019 through December 31, 2023.

II. DESCRIPTION OF THE AUTHORITY

A. Name of Contact Person

The principal contact with the Buffalo & Fort Erie Public Bridge Authority will be Leah Ann Wutzke, Finance Supervisor, who will coordinate all communication with and information to be provided by the Authority. Leah Ann will also ultimately provide the Selected Proponent with information as required to complete the engagement on behalf of the Authority.

Proponents intending to respond to this RFP should notify Leah Ann Wutzke, Finance Supervisor via email at law@peacebridge.com and provide the contact name of a representative at the Proponent and their coordinates.

B. General Information

The Authority is a body corporate and politic constituting a public benefit corporation created under the laws of the State of New York and by an act of the Parliament of Canada and consented to by the United States Congress. The Authority is governed by a ten member Board consisting of five members from New York State and five members from Canada. The mission of the Authority is to be known as the premier Canada/U.S. international border crossing, providing excellence in customer service and an effective conduit for trade and tourism.

The Authority owns and operates the Peace Bridge which spans the Niagara River between Buffalo, New York and Fort Erie, Ontario. In addition to toll revenue from vehicles crossing the bridge, the Authority also derives significant revenue in the form of rental and fee income from the United States General Services Agency, U.S. and Canadian duty-free shops and commercial brokers operating on the property owned by the Authority.

During 2018, toll revenues were approximately \$22.2 million, generated from 1.2 million commercial vehicles and 4.1 million automobiles that used the bridge. In addition to the Peace Bridge, the Authority owns, operates and maintains approximately 70 acres of property in Canada and 17 acres of property in the United States. The Canadian property has three buildings constructed in 2006, housing Authority administration, Canada Border Services Agency, and Citizenship and Immigration Canada. The duty-free store, toll collection facilities, and buildings housing customs brokers and Authority maintenance are also located on the Canadian property. The U.S. toll plaza consists of a duty free store, and buildings housing U.S. Customs & Border Protection, various other U.S. Government agencies and customs brokers.

As a bi-national entity, the Buffalo & Fort Erie Public Bridge Authority is subject to federal regulations in Canada and both federal and New York State Regulations in the United States.

Additional information regarding the PBA may be obtained from its website at www.peacebridge.com. The 2018 audited financial statements are located under "Bridge Authority/About Us/Publications/2018 Audited Financial Statements."

C. Financial and Accounting Background Information

Operating and Capital Budget Preparation & Monitoring Process

The Authority adopts an annual operating budget and a 5 year capital budget prior to the start of each fiscal year. The budget process is initiated by a meeting of senior staff, which establishes budget strategies including levels of services, maintenance requirements, on-going capital project commitments and other issues for the upcoming year. The budget strategies are further guided by Board approved policies governing the overall financial requirements associated with the annual operating and capital plan. Each department then prepares its preliminary budget request based upon the budget strategies and level of service. These requests are then reviewed by senior staff in concert with overall corporate goals and strategies. The budget is then submitted for review and formal adoption by the Board at its annual budget meeting in October. During the fiscal year, the Authority has budget control procedures in place and the Board receives monthly operating and capital budget monitoring reports, comparing actual revenues and expenditures against budget. The monitoring reports also serve as a means of highlighting changes in net revenues, cash flows and expenditures, requiring changes in operating and capital plans.

Financial Staff Qualifications:

Staff members include a Certified Public Accountant and a Chartered Professional Accountant. Support staff include a Staff Accountant, an Accounts Payable Clerk and two internal audit staff.

Financial Policies & Procedures

The Authority prepares and adopts policies and procedures to communicate goals, objectives and expectations. Significant financial policies include the following:

- Accounting for and Securing Authority Funds (to be updated by toll system replacement)
- Acquisition of Goods & Services
- Approval Process for Electronic Disbursements (ACH and wires)
- Budget Variance Reporting
- Business Ethics / Conflict of Interest
- Capital Budget Placeholders
- Corporate Credit Card/Purchasing cards (P-cards)
- Expense & Allowance Policy
- Financial Forecasting
- Fixed Assets
- Invoice Approval
- Operating & Long-Term Capital Planning Process
- Toll Performance (to be updated by toll system replacement)

Internal Controls

The Authority recognizes the importance of segregating duties and identifying and monitoring controls to prevent and detect fraud. As such, duties are segregated to the extent practical, policies and procedures are developed to communicate expectations, computer system access is limited to required applications and functions, internal audits are periodically conducted, and literature regarding fraudulent acts and controls are discussed amongst the accounting staff.

As a result of the inherent risk associated with the collection of cash, numerous controls have been established over the toll collection process. Due to the replacement of our current toll system, the new process will have added controls and new processes developed in order to further protect Authority assets. In addition, bank reconciliations are prepared within five days after month-end and positive payee and ACH filters have been implemented in order to prevent and detect fraudulent disbursements. A stand alone computer is used for all banking inquiries, wires and bank transfers with login access limited to Accounting staff.

Reconciliations are prepared for each significant balance sheet account monthly, with quarterly reconciliations prepared for lower-risk, routine transaction accounts.

Major Projects of Interest

In June 2017, the Authority issued \$70,800,000 in fixed rate Toll Bridge System Revenue Bonds (the "Series 2017 Bonds") using the bond proceeds to fund the majority of a \$100,000,000 bridge redecking/rehabilitation project) and to establish the Series 2017 debt reserves.

Bridge Rehabilitation project - In the Fall of 2016, the Bridge Rehabilitation/Redecking project started. The project involves complete replacement of the original bridge deck and select structural steel items, as well as the modification of the existing sidewalks and gantry system. At completion in 2019, the project addressed the historically problematic maintenance areas including the deck, curbs, sidewalks, joints, railings, gantries, and light standards. This project also replaced, strengthened and repaired most of the steel elements that had significant corrosion or fatigue cracking, including the fascia stringers, curb stringers, cantilever brackets, floor beams, strap plates, as well as numerous secondary member connections.

Bridge Painting - As the Peace Bridge Rehabilitation Project moves into its final phase, the Authority is transitioning into a bridge painting program intended to be the final stage of bridge rehabilitation and protection. The Peace Bridge last received a major repainting project between the years of 1994 and 1998 with the structure's coating system being completely removed. After 25 years it has reached the end of its service life. At the November 30, 2018 Board Meeting the Board approved a full paint removal and recoating of the bridge for the arch and truss spans, including the original steel supporting the roadway. This project is currently underway with completion in 2020-21.

Toll System Replacement and Data Analytics – As our source of toll revenue collection this projects consists of three major areas: 1) installation of LED signage on the toll canopy; 2) design and implementation of a new toll collection system, including software and hardware upgrades; and 3) design and implementation of data analytics tools and hardware to measure processing time duration at CBP and CBSA inspection lanes. The LED signage portion of the project is complete. The toll system and data analytics pieces are currently in various phases of design/building and completion is expected in the Fall of 2019. This project has received Transport Canada funding under the National Trade Corridor Fund, and will be reimbursed at 50% of costs up to \$1,575,000.

GASB 75 Adoption 2018 – The Authority established a qualified Trust in December, 2018. We also have two defined pension plans for the Authority's Canadian and U.S. employees. These plans require bi-annual valuations with the actuary.

III. DESCRIPTION OF THE RFP PROCESS

A. Proposal Calendar

The following is a list of key dates (all Eastern time) up to and including the date a Proponent's proposal is due to be submitted:

Requests for proposals issued	June 25, 2019
Due date for submission of questions	July 11, 2019 at 1:00 PM
Questions to be answered	July 18, 2019 at 1:00 PM
Due date for proposals	July 30, 2019 at 1:00 PM

B. Expected Notification and Contract Dates

Successful Proponent notified by September 6, 2019

Schedule for the December 31, 2019 Fiscal Year Audit

Each of the following should be completed by the auditor no later than the dates indicated:

1. **Detailed Audit Plan** – The auditor shall provide the Authority both a detailed audit plan and a list of all schedules to be prepared by the Authority by November 1, 2019.
2. **Fieldwork** – The auditor shall complete interim fieldwork and testing of internal controls by November 27, 2019 and all fieldwork for year-end on or before, but no later than January 31, 2020.
3. **Draft Reports** – The auditor shall have drafts of the audit report(s) and recommendations to management available for review by the General Manager and Finance Manager by February 12, 2020.
4. **Final Reports** - The firm will present the final draft report to the Board of Directors at the Annual General Meeting to be held on February 28, 2020.

The dates noted for the 2019 audit are indicative of the deadlines that must be adhered to annually.

C. Inquiries

Inquiries concerning this RFP must be made by **July 11, 2019, before 1pm Eastern** via email to:

BUFFALO & FORT ERIE PUBLIC BRIDGE AUTHORITY
Attn: Leah Ann Wutzke, Finance Supervisor; law@peacebridge.com

All questions and answers will be emailed to all Proponents that have provided contact information as requested by July 11, 2019. Contact with personnel of the Authority, other than the designated Contact Person, regarding this RFP may be grounds for elimination from the selection process.

Communications to Proponents by the Authority will be provided solely by the Authority's Contact Person. Information obtained from any other source is not binding on the Authority.

Questions or requests for clarification received after 1 p.m. Eastern time July 11, 2019, will not receive a response from the Authority.

D. Modifications to the RFP

The Authority may modify any part of the RFP prior to the deadline for submission of Proposals by issuance of a written addendum. Any addendum issued by the Authority will be posted to the Authority website. In addition, an email notification of the posting of an addendum will be distributed to all Proponents that provided contact information as requested. No other statements whether oral or in writing, unless such statements have been posted on the Authority website as set out in this RFP, shall amend the RFP.

It is the Proponent's sole responsibility to ensure that it has received all addenda issued by the Authority. Proponents may seek confirmation of the number of addenda issued under this RFP by writing to the Authority's Contact Person, notwithstanding, the onus remains on the Proponent to ensure it has received all addenda.

E. Errors and Omissions

Proponents discovering any ambiguity, conflict, discrepancy, omission or other error in this RFP, should immediately notify via e-mail, prior to the due date for Proposals, the Authority's Contact Person and advise of such error and request clarification or modification of the RFP. Modifications to this RFP or any clarifications will be issued by written addenda published on the Authority website.

If a Proponent fails to notify the Authority prior to the due date for Proposals, of a known error or an error that reasonably should have been known, the Proponent assumes all risk. If awarded any contract, the Proponent shall not be entitled to additional compensation or time by reason of the error.

It is the Proponent's obligation to identify any errors or omissions, conflicts or ambiguities in the RFP as soon as possible.

F. Inquiries by Proponents – Clarifications

It is the Proponent's obligation to seek clarification from the Authority on any matter it considers to be unclear in relation to this RFP.

Proponents are permitted to submit questions or request information during the RFP process. All questions or requests for information must be submitted in writing and solely to the Authority's Contact Person as identified in section C above. Responses to Proponent clarification questions will be published on the Authority website in accordance with the Timetable set out in this RFP.

If the Proponent believes that its question is of a commercially sensitive or confidential nature relating to the Proponent, a Proponent may request that a response to its question be kept confidential by clearly marking the question as "Confidential". If the Authority decides that a question marked "Confidential", or the Authority's response to such a question, must be published to all Proponents, then the Authority will notify the Proponent and provide the Proponent with the opportunity to proceed with the question as a public question or to withdraw the question. However, if the Proponent does not withdraw the question, then the Authority may, at its sole discretion, provide its response to all Proponents by way of written Addendum.

If the Authority in its review determines that a question is of a commercially sensitive or confidential nature, it will respond directly to the Proponent.

Notwithstanding, if in the sole opinion of the Authority, one or more other Proponents submits a question on the same or similar topic to a question previously submitted by another Proponent as "Confidential", the Authority may provide a response to such a question to all Proponents by way of written addendum; and if the Authority determines there is any matter which should be brought to the attention of all Proponents, whether or not such matter was the subject of a question, including a question marked "Confidential", the Authority may, in its discretion, publish the question, response or information with respect to such matter to all Proponents by way of written addendum.

G. Prohibited Conduct

i. No Lobbying

A Proponent, any Proponent team members including key personnel, and their respective directors, officers, employees, consultants, agents, advisors and representatives will not engage in any form of political or other lobbying whatsoever, to any party, in relation to the this RFP, or the competitive selection process, including for the purpose of influencing the outcome of the competitive selection process. Further, no such person (other than as expressly contemplated by this RFP) will attempt to communicate in relation to this RFP, or the competitive selection process, directly or indirectly, with any representative of the Authority, (including any member of the Board of Directors), or any director, officer, employee, agent, advisor, consultant or representative of any of the foregoing, as applicable, for any purpose whatsoever in relation to this RFP, or the competitive selection process, including for the purpose of influencing the outcome of the competitive selection process.

Violation of this provision will be grounds for immediate disqualification.

From the date this RFP is issued until the contract award has been announced, no Proponent-initiated contact with any Authority official shall be permitted regarding this RFP, other than written inquiries to the Authority's Contact Person, as described in this section.

ii. No Collusion

A Proponent shall not engage in any illegal business practices, including activities such as bid-rigging, price-fixing, bribery, fraud, coercion or collusion. A Proponent shall not engage in any unethical conduct, including lobbying, as described above, or other inappropriate communications; offering gifts to any employees, officers, agents, elected or appointed officials or other representatives of the Authority; submitting proposals containing misrepresentations or other misleading or inaccurate information; or any other conduct that compromises or may be seen to compromise the competitive process provided for in this RFP.

A Proponent and any Proponent team members, their employees, agents and representatives involved with the Proponent's Proposal, including key personnel, will not discuss or communicate, directly or indirectly, with any other Proponent or any director, officer, employee, consultant, advisor, agent or representative of any other Proponent (including any Proponent team member or key personnel of such other Proponent) regarding the preparation, content or representation of their Proposals.

By submitting a Proposal, a Proponent, on its own behalf and as authorized agent of each firm, corporation or individual member of the Proponent or Proponent team, represents and confirms to the Authority, with the knowledge and intention that the Authority may rely on such representation and confirmation, that its Proposal has been prepared without collusion or fraud, and in fair competition with Proposals from other Proponents.

iii. Conflict of Interest

In addition to the other information and representations made by each Proponent in the Submission Form, each Proponent must declare whether it has an actual or potential Conflict of Interest as defined in section V. A. 2. (v).

If, at the sole and absolute discretion of the Authority, the Proponent is found to be in a Conflict of Interest, the Authority may, in addition to any other remedies available at law or in equity, disqualify the proposal submitted by the Proponent.

The Proponent, by submitting the Proposal, warrants that to its best knowledge and belief no actual or potential Conflict of Interest exists with respect to the submission of the proposal or performance of the contemplated contract other than those disclosed in the Submission Form. Where the Authority discovers a Proponent's failure to disclose all actual or potential Conflicts of Interest, the Authority may disqualify the Proponent or terminate any contract awarded to that Proponent pursuant to this procurement process.

H. Proponent Due Diligence

The Authority does not make any representation, warranty or guarantee as to the accuracy of the information contained in the RFP or in addenda to this RFP.

The Proponent is solely responsible, at its own cost and expense, to carry out its own independent research, due diligence or to perform any other investigations, considered necessary by the Proponent to satisfy itself as to all existing conditions affecting the Authority.

Proponents agree that by submitting a Proposal in response to this RFP, they certify that they have read and agree to comply with all terms set out in this RFP.

I. No Reimbursement and No Claim

There is no expressed or implied obligation for the Authority to reimburse responding Proponents for any expenses incurred in any way in preparing Proposals in response to this RFP. The Proponent shall bear all costs associated with the preparation and submission of a Proposal, including but not limited to any related travel expenses.

By submitting a Proposal, Proponents waive any claim or cause of action that they may have against the Authority as a result of the conduct of this RFP process or any resulting contract.

J. Proponent Amendments or Withdrawal of Proposal

At any time prior to the Proposal submission deadline, Proponents may amend or withdraw a submitted Proposal. Any amendment should clearly indicate which part of the Proposal the amendment is replacing.

K. Authority's Rights

The Authority has no obligation to any Proponent to award a contract at the conclusion of this process. The lowest cost Proposal will not necessarily be selected.

This RFP is not intended, nor should it be interpreted, to be an offer, an acceptance, a contract or any type of binding agreement, nor to commit the Authority to proceed with this or any other process. Notwithstanding any written or verbal communications, or series of communications, to the contrary, the Authority shall not be deemed to have entered into a contract or any other binding agreement for accounting and auditing services.

This RFP does not purport to be all-inclusive or to contain everything that a Proponent might wish or require. The Authority makes no representation or warranty, whether expressed or implied, as to the accuracy or completeness of any such material, information, reports or statements and expressly disclaims any and all liability for any errors or omissions in all information, materials, reports or in any other written or oral communication obtained by, given to, or made available to any Proponent.

No implied contract of any kind whatsoever by or on behalf of the Authority shall arise or be implied from anything contained in this RFP.

In addition to the rights expressed in this RFP, the Authority reserves the right at its sole discretion, where it may serve the Authority's best interest, to:

1. make changes and amendments to the requirements of this RFP at any time;
2. refuse to answer questions that do not pertain directly to the subject matter of this RFP;

3. waive formalities and accept Proposals which substantially comply with the requirements of this RFP;
4. request additional information or clarifications from Proponents, including but not limited to references and service capacity, and incorporate a Proponent's response to that request for clarification into the Proponent's Proposal;
5. retain all Proposals submitted and to use any ideas in a Proposal regardless of whether that Proposal is selected;
6. request written clarification or the submission of supplementary written information from any Proponent. This is not an opportunity for the Proponent to correct any errors or enhance its Proposal in a material way;
7. verify with the Proponent or with a third party any information set out in a Proposal. The Authority has no obligation to verify or investigate any information it may receive from any Proponent or third party;
8. disqualify any Proposal where the Proposal contains misrepresentations, or inaccurate or misleading information;
9. disqualify any Proponent that in the Authority's sole discretion has a conflict of interest or an unfair advantage, whether real, perceived, existing now or likely to arise in the future or who has engaged in Prohibited Conduct as defined in this RFP;
10. during the evaluation of Proposals, assess a Proponent's Proposal on the basis of:
 - a. the Proponent's submissions in response to this RFP;
 - b. a financial analysis determining the actual cost of the Proposal;
 - c. information provided by references; or
 - d. information provided by a Proponent pursuant to the Authority exercising its clarification rights under this RFP process;
11. conduct interviews with Proponents, to seek clarification or verify any or all information provided by the Proponent in its Proposal;
12. negotiate with any Proponent or more than one Proponent with respect to any of the requirements in the Proposal or the RFP;
13. cease negotiations with any Proponent and proceed to the next ranked Proponent;
14. accept or reject a Proposal if only one Proposal is submitted;
15. select any Proposal other than the Proponent whose Proposal reflects the lowest cost;
16. reject any or all Proposals; and
17. cancel this RFP at any time without any contract or issue a new RFP for the same or similar underwriting services.

IV. SCOPE OF SERVICES

A. General

In accordance with the Authority's Acquisition of Goods & Services Policy, the Authority is requesting proposals from public accounting firms in the Buffalo, New York and Fort Erie, Ontario area to audit the financial statements of the Authority for the fiscal years ending December 31, 2019, December 31, 2020, December 31, 2021, December 31, 2022, and December 31, 2023. This audit is to be performed in accordance with the provisions contained in this request for proposals.

B. Scope of Work to be Performed

The Authority desires the auditor to express an opinion on the fair presentation of its financial statements in conformity with accounting principles generally accepted in the United States.

The auditor will assist the Authority throughout the year with accounting related questions which includes those directly related to GASB.

The auditor shall provide guidance to the Authority with respect to the implementation of new pronouncements issued by the Governmental Accounting Standards Board, interpretation and potential impact to the Authority.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor may also be required to audit the Schedule of Expenditures of Federal Awards pursuant to guidelines within OMB Circular A-133, *Audits of States, Local Governments, and Not-for-Profit Organizations*.

Finally, the auditor will be required to review the following documents, which will contain the audited financial statements:

- Annual Disclosure Statement – submitted and published on the Electronic Municipal Market Access (EMMA) website by April 30th of each year.
- Annual Report – distributed to key stakeholders, public libraries, and published on the

C. Auditing Standards to be Followed

In order to comply with the Authority's bond indenture requirements and U.S. federal funding requirements, the audit must be performed in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Not-for-Profit Organizations*.

D. Reports to be Issued

Following the completion of the audit of the financial statements, the auditor shall issue:

1. A report on the Financial Statements for the Authority.
2. A report on communication required in accordance with Generally Accepted Auditing Standards.

In addition, if the Authority received U.S. federal funds, the following report may be required (dependent upon amount of federal funds received).

3. A report on Compliance and Internal Control over Compliance Applicable to Each Major Federal Award Program and on the Schedule of Expenditures of Federal Awards.

E. 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 seven (7) years unless the firm is notified in writing by the Authority 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:

- the Authority;
- auditors of entities of which the Authority is a subrecipient of grant funds; and
- other parties as deemed appropriate or necessary by the Authority.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

V. PROPOSAL REQUIREMENTS

A. General Requirements

1. **Inquiries** – Inquiries concerning the request for proposals and the subject of the request for proposals must be made via e-mail to:

BUFFALO & FORT ERIE PUBLIC BRIDGE AUTHORITY

Attn: Leah Ann Wutzke, Finance Supervisor
law@peacebridge.com

All questions and answers will be e-mailed to all accounting firms participating in the proposal process and will be posted to the Authority's website as described in this RFP.

Contact with personnel of the PBA other than Leah Ann Wutzke, Finance Supervisor, regarding this request for proposals may be grounds for elimination from the selection process.

2. **Submission of Proposals** - The following material is required to be received by **July 30, 2019 at 1:00 P.M.** for a proposing firm to be considered:
 - a. Five (5) copies of the proposal, limited to ten (10) pages in length including attachments, must include the following:
 - (i) *Title Page* – Title page showing the request for proposals subject; the Proponent's name; the name, address, and telephone number of the contact person; and the date of the proposal.
 - (ii) *Table of Contents*
 - (iii) *Transmittal Letter* – A signed letter of transmittal briefly stating the Proponent's understanding of the work to be completed, the commitment to perform the work within the time period (or exceed the timeline), a statement why the Proponent believes itself to be best qualified to perform the engagement, and a statement that the proposal is a firm and irrevocable offer. The transmittal letter should also state the name, telephone number and e-mail address of the individual with the Proponent who will serve as the Authority's primary contact concerning the proposal. An unsigned proposal will be rejected.
 - (iv) *Non-collusive Proposal Certification* – The Proponent must provide a signed statement certifying the following:
 - o the proposal is genuine and is not made in the interest of, or on behalf of, an undisclosed person, firm or corporation;
 - o that the Proponent has not directly or indirectly induced or solicited any other Proponent to submit a false or sham proposal, or decline to submit a proposal;

- that the Proponent has not sought, by collusion, to obtain any advantage over any other Proponent or over the Authority.
- (v) *Conflict of Interest Declaration* – The Proponent must provide a signed statement containing one (1) of the following sub paragraphs (Proponents should refer to the definition of Conflict of Interest as defined in section B. 2 below):

- The Proponent declares that there is no actual or potential Conflict of Interest relating to the preparation of its proposal, and/or the Proponent does not foresee an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the RFP;

OR

- The Proponent declares that there is an actual or potential Conflict of Interest relating to the preparation of its proposal, and/or the Proponent foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the RFP

If the proponent declares an actual or potential Conflict of Interest, the Proponent must set out details of the actual or potential Conflict of Interest.

- (vi) *Detailed Proposal* – The detailed proposal should follow the order set forth in Section V. B. of this request for proposals.
- (vii) *Cost Bid* – The cost bid proposal should contain the fee for services, including a detailed analysis of the fee that would be charged for various services. This analysis should include all fees, stating whether it's a fixed fee or the corresponding hourly rates for non-contracted services. and should cover all services as described in this RFP and any additional services proposed, or included as value-added services.
- (viii) Proponents must send the completed proposal to the following address:

BUFFALO & FORT ERIE PUBLIC BRIDGE AUTHORITY

**Attn: Leah Ann Wutzke, Finance Supervisor
100 Queen Street, Fort Erie, Ontario L2A 3S6**

PBA HIGHLY RECOMMENDS HAND DELIVERY TO AVOID POTENTIAL DELAYS AT THE BORDER. E-MAILS AND FAXES ARE NOT ACCEPTABLE.

B. Proposal

1. General Requirements

The purpose of the proposal is to demonstrate the qualifications and experience of the Proponent seeking to provide accounting and audit services to the Authority. As such, the substance of proposals will carry more weight than their form or manner of presentation. The proposal should demonstrate the qualifications of the Proponent and of the particular staff to be assigned to provide these services. The proposal should address all the points outlined in the request for proposals. The proposal should be prepared simply and

economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, item Nos. 2 through 11, must be included. They represent the criteria against which the proposal will be evaluated.

Responses are limited to ten (10) pages, excluding the title page, table of contents, transmittal letter, non-collusive proposal certificate, conflict of interest certificate, and cost bid, requested resumes and official statements, prepared as single-sided pages on 8 1/2 x 11 inch paper using at least 10 point type with standard margins.

For clarity purposes, the Authority requests that you restate each question, with the answer stated directly below each question.

2. Independence

The Proponent should provide an affirmative statement that it is independent of the Authority as defined by U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. In addition, the Proponent and its staff will avoid any actual or perceived conflict of interest. "Conflict of Interest" includes, but is not limited to, any situation or circumstance where:

(a) in relation to the RFP process, the Proponent has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) communicating with any person with a view to influencing preferred treatment in the RFP process including the giving of a benefit of any kind, by or on behalf of the Proponent to anyone employed by, or otherwise connected with, the Authority; or (ii) engaging in conduct that compromises or could be seen to compromise the integrity of the open and competitive RFP process and render that process non-competitive and unfair; or

(b) in relation to the performance of its contractual obligations under any resulting contract, the Proponent's other commitments, relationships or financial interests (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgment; or (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations.

- 3. License to Practice in New York State** – An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in New York State and/or Canada and perform field work in Canada.
- 4. Scope of Work** – The Proponent must provide an affirmative statement that the proposal includes all services noted within Section IV of this proposal.
- 5. Disciplinary Actions** – The Proponent must provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past five (5) years with federal or state/provincial regulatory bodies or professional organizations.
- 6. Proponent Qualifications and Experience** - The Proponent should include the following information:
 - a. Proponent name, location of Proponent headquarters, location of office from which services would be rendered to the Authority.

- b. Description of the Proponent, including ownership structure, number of employees, number of years in business, and a brief description of the services the Proponent specializes in with the percentage of business in each practice area.
- c. Provide a list of all current governmental audit services provided.
- d. State the size of the firm's governmental audit staff including title and number of governmental audit clients currently served.
- e. Describe any other information about the accounting firm and the firm's experience that are relevant to this RFP which you feel warrant consideration.
- f. Submit a copy of the report on the firm's most recent external quality control review, with a statement whether that quality control review included a review of specific governmental engagements.

7. Firm and Staff Qualifications – The Proponent should include the following information:

- a. Identification of the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement, including their title. Indicate whether each such person is registered or licensed to practice in New York State and/or Canada. A statement as to the availability of the lead person(s) for consultation with the Authority, including but not limited to, his or her willingness and ability to meet in Fort Erie, ON, Canada with Authority officials.
- b. Description of their proposed role and responsibilities in servicing the Authority.
- c. The number of years with the firm and number of years in the industry.
- d. Provide resumes for professional staff who would be assigned to this engagement, 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.
- e. Experience with governmental clients similar to the PBA.

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 Authority. However, in either case, the Authority retains the right to approve or reject replacements.

8. Value-Added Services – The proponent should identify other specific experience and projects completed to assist comparable governments to enhance operations and internal controls, and address current issues facing government or organizations.

9. Prior Engagements with the Buffalo & Fort Erie Public Bridge Authority – List separately all engagements within the last five (5) years, ranked on the basis of total staff hours, for the Authority by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

- 10. Similar Engagements With Other Entities** – For the firm’s office and Partner that will be assigned responsibility for the audit, list the most significant engagements (maximum – 5) performed in the last five (5) years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, approximate total hours, and the name and telephone number of the principal client contact. Also indicate the firm’s experience in conducting audits in accordance with Circular A-133.
- 11. Distinguishing Features – The Proponent should identify and describe the most important** attributes that distinguish your firm from competing firms, and how those attributes will benefit the Authority.
- 12. Specific Audit Approach** – The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section IV of this request for proposals. In developing the work plan, reference should be made to such sources of information as the Authority’s budget and related materials, organizational charts, policies and procedures, and financial and other management information systems.

Proponents will be required to provide the following information on their audit approach:

- a. Level of staff and number of hours to be assigned to each proposed segment of the engagement, including but not limited to:
 - (i) Planning
 - (ii) Internal control testing, and review
 - (iii) Year-end field work
 - b. Sample size and the extent to which statistical sampling is to be used in the engagement.
 - c. Extent of use of EDP software in the engagement.
 - d. Type and extent of analytical procedures to be used in the engagement.
 - e. Approach to be taken to gain and document an understanding of the Authority’s internal control structure.
 - f. Approach to be taken in determining laws and regulations that will be subject to audit procedures.
 - g. Approach to be taken in selecting audit samples for purposes of tests of compliance.
- 13. Identification of Anticipated Potential Audit Problems** – The proposal should identify and describe any anticipated potential audit problems, the firm’s approach to resolving these problems and any special assistance that will be requested from the Authority.

C. Cost Bid

1. **Total All-Inclusive Cost Bid** – The Authority is interested in achieving high quality services at the lowest possible cost.

The proposal should contain all pricing information relative to performing the audit engagement as described in the request for proposal. The total all-inclusive maximum price to be bid for each engagement is to contain all direct and indirect costs, including all out-of-pocket expenses.

2. **Fee Schedule** –The Authority will not be responsible for expenses incurred in preparing and submitting any proposal. Such costs should not be included in the proposal. The following includes the required format and information to be provided by the Proponent in the Cost Bid. A proposal shall comply with all format and content requirements as detailed in this RFP. Failure to comply with format and content requirements may result in disqualification.

The first page of the cost bid should include the following information:

- a. Name of Firm.
- b. Certification that the person signing the proposal is entitled to represent the Proponent, empowered to submit the bid, and authorized to sign a contract with the Authority.
- c. A Total All-Inclusive Cost Bid for each year of the five year engagements broken down between the general financial statement audit and the single audit.
- d. Describe scenarios that would result in increased fees and how the fees are determined.

The second page of the cost bid should include the following information:

- a. Rates by Partner, Specialists, Supervisory and Staff levels - times and hours to be included in a schedule of professional fees and expenses with total estimated hours that supports the total maximum price.
 - b. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the total cost bid. All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.
 - c. If it should become necessary for the Authority to request the auditor to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the Authority and the firm. Any such additional work agreed to between the Authority and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid, thus hourly rates by year, by position must be stated.
3. **Manner of Payment** - Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's total cost bid proposal. Interim billing shall cover a period of not less than a calendar month.

VI. EVALUATION PROCEDURES

A. Review of Proposals

The Authority will select evaluators to participate on a Selection Committee ("Committee"). The Selection Committee will review qualifications of the Proponents and conduct the evaluation of the proposals. Proponents with unacceptably low technical qualifications will be eliminated from further consideration.

After the qualifications/experience for each Proponent have been established, the cost bid will be examined. The Proponent representing the best overall value to the Authority, which may or may not be the lowest cost bidder, will be recommended as the Selected Proponent.

The Authority reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for both (i) qualifications/experience and (ii) cost bid. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Criteria

- a. The Proponent must be independent and have no conflict of interest, as demonstrated in the Proponent's signed Non-Collusive Proposal Certification and Conflict of Interest Declaration contained within its Proposal. The Proponent is licensed to practice in New York State and/or Canada and conduct field work in Canada.
- b. The Proponent adequately addresses actual and pending disciplinary actions and has a record of quality work.
- c. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
- d. The Proponent must adhere to the mandatory instructions in this RFP on preparing and submitting its Proposal (as identified by use of the term 'must'), including the requirement for the Proposal to be submitted to the identified address on or before the Due Date for submission of Proposals. The mandatory items to be included in the Proponent's response package are as follows:
 1. Title page
 2. Table of Contents
 3. Transmittal letter

4. Non-collusive Proposal Certification
5. Conflict of Interest Declaration
6. Proposal – in the manner as prescribed by this RFP
7. Cost Bid – in the manner as prescribed by this RFP

2. Expertise and Experience

- (i) The firm's past experience and performance on comparable governmental engagements.
- (ii) The firm's commitment to the government sector including professional memberships, development of government practice, and commitment to staff development in governmental accounting and auditing.
- (iii) Single audit experience within the local office.
- (iv) Other specific experience and projects completed by the firm/local office to assist comparable governments to enhance operations and internal controls, and address current issues facing government.
- (v) The Proponent's distinguishing and value-added services.

3. Audit Approach

- (i) Adequacy of proposed staffing plan for various segments of the engagement.
- (ii) Adequacy of sampling techniques.
- (iii) Adequacy of analytical procedures.
- (iv) Adequacy of audit plan for electronic data processing function.
- (v) Use of computer-aided audit techniques.

4. Cost Bid

Cost will not be the primary factor in the selection of the Proponent to provide accounting and audit services, however, it will be considered when evaluating the overall value of the proposal. The Authority is not obligated to accept the lowest bid.

C. Evaluation of Proposals

The following evaluation criteria will be used as the basis for evaluating Proposals:

Proponent's qualifications (firm, partners, managers, supervisory staff) and areas of specialty:	20%
Governmental audit experience, size of firms governmental staff and main government clients:	20%
Ability to provide the required scope of services in a timely manner with open communication and fast response times:	30%
Proponent's distinguishing characteristics and value added ideas:	10%
Proponent's fees are reasonable and fair with value added services:	20%
Total Evaluation Criteria Weighting:	100%

D. Oral Presentations

During the evaluation process, the Selection Committee, at its discretion, may request any one or all Proponents to make oral presentations. Such presentations will provide Proponents with an opportunity to answer any questions that the Selection Committee may have on a Proponent's proposal. Not all Proponents may be asked to make such oral presentations.

E. Final Selection

The Authority will select a Proponent (the Selected Proponent) based upon the recommendation of the Selection Committee in accordance with the evaluation criteria and process described in this RFP, as identified by the Authority.

It is anticipated that the Selected Proponent will be determined by September 6, 2019. Following notification of the Selected Proponent, it is expected that a contract will be executed between both parties shortly thereafter.

The Authority reserves the right to enter into negotiations with any Selected Proponent in order to determine satisfactory terms and conditions of a final contract and to end such negotiations, at its discretion, and to designate and commence negotiations with an alternate best qualified Selected Proponent.

In accordance with the policy approved by the Board of Directors, the Committee will not conduct debriefing sessions with unsuccessful Proponents.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the Proponent of the conditions contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the contract between Authority and the Selected Proponent.

As specifically endorsed by the Authority Board of Directors, contact with personnel of the Authority other than Leah Ann Wutzke, Finance Supervisor, will result in automatic rejection of a proposal.

The Authority reserves the right without prejudice to reject any or all proposals, waive any and all informalities, and the right to disregard all non-conforming or conditional proposals. The Authority reserves the right to accept any proposal deemed to be in its best interest even though the proposal is not mathematically the lowest price.

VII. APPLICABLE LAW

This RFP, and any contract, which may subsequently arise from this RFP, shall be governed by the law of the United States of America and Canada, as applicable to an international compact entity. The appropriate jurisdiction for any disputes which arise from the RFP or any contract which may arise from this RFP, shall be the United States District Court for the Southern District of New York.

The section titles are for convenience only and shall not be construed to affect the meaning of the sections titled.

ATTACHMENTS