



**REQUEST FOR PROPOSALS
FOR FINANCIAL AND ACCOUNTING SERVICES**

Issued: March 30, 2015

Proposals Due: April 24, 2015, 3:00 pm

**Marshall Moran
RethinkWaste Finance Manager
610 Elm Street, Suite 202
San Carlos, CA 94070
650.802.3504
mmoran@rethinkwaste.org**

Request for Proposals For Financial and Accounting Services

The South Bayside Waste Management Authority (SBWMA or RethinkWaste) is a public agency committed to environmental leadership in sustainable materials management practices to support livable communities. RethinkWaste is charged with managing and administering various aspects of our twelve Member Agency's Collection Services Franchise Agreements with Recology San Mateo County (Recology). In addition, RethinkWaste manages the contract with South Bay Recycling (SBR) to operate the RethinkWaste owned Shoreway Environmental Center in San Carlos, CA.

Through issuance of this Request for Proposals (RFP), RethinkWaste is soliciting Proposals from qualified agencies and firms (herein "Proposers") capable of providing comprehensive, long term, accurate and cost-effective financial and accounting services for RethinkWaste.

RethinkWaste welcomes and encourages responses from consultant firms and public agencies who offer the following services:

- **All accounting functions**
- **Accounts payable and accounts receivable**
- **Banking functions and deposits**
- **Financial statements – fiscal year (audited)**
- **Financial statements – calendar year (non-audited)**
- **Investing Excess Cash and Reserve Funds**

Please refer to Section 3 for the specific scope of services being requested. All submittals to RethinkWaste will be considered public records and made available for public review upon request after conclusion of this RFP process.

1. BACKGROUND

The South Bayside Waste Management Authority or RethinkWaste is a joint powers authority in San Mateo County, California managing the collection and processing of garbage, recyclables and organic materials for the cities of Belmont, Burlingame, East Palo Alto, Foster City, Menlo Park, Redwood City, San Carlos and San Mateo; the towns of Atherton and Hillsborough; the County of San Mateo and the West Bay Sanitary District.

2. INTRODUCTION

RethinkWaste administers the refuse and recycling services for our twelve Member Agencies. As such, it provides various programs to administer and promote these services. It uses a third party service provider, the City of San Carlos, to provide the basic accounting and financial functions. The RethinkWaste office approves various transactions such as issuing purchase orders and vendor invoices. These approved documents are then sent to the service provider to enter into their accounting system, issue and sign vendor checks, receive and reconcile bank statements, and all other accounting functions.

The service provider will provide all general accounting functions including financial statement preparation and working with the outside auditor provided by the service provider to audit the fiscal year (June 30) statements and issue its report. To be successful, the proposer will gain a deep understanding of how the SBWMA functions and its relationship to the Member Agencies and major contract providers.

RethinkWaste issued \$53.5 million in bonds in 2009. All payments for interest and principal are managed by the service provider. In addition, the bond indenture requires the preparation of **unaudited** calendar year financial statements which are prepared by the service provider and reviewed by the outside audit.

A draft service agreement is attached, **Attachment A**.

RFP Process and Proposer Selection Timeline

ITEM	DUE DATE
RFP Released	March 30, 2015
Deadline for Submitting Questions to RethinkWaste by 3:00pm	April 3, 2015
<u>Proposal Must be Submitted by 3:00pm to:</u> Marshall Moran RethinkWaste 610 Elm Street, Suite 202 San Carlos, CA 94070 650.802.3504 mmoran@RethinkWaste.org	April 24, 2015
Proposer Interviews	May 4-8, 2015
Selection and Contract Negotiations	May 11-18, 2015
RethinkWaste Staff Report Recommendation Issued to Board of Directors	May 21, 2015
Board Consideration of Contract Award	May 28, 2015

Proposals Evaluation Criteria

DESCRIPTION	WEIGHT
RFP Responsiveness	Pass/Fail
Proposer Qualifications, Systems and Experience	60%
Proposer Approach and Cost	40%

3. SCOPE OF SERVICES

Proposer shall provide the following services:

Start-up Process (only applicable if City of San Carlos is not selected to continue providing accounting and financial services)

1. Set up a new general ledger for SBWMA as a separate legal entity and all financial reporting systems needed.
2. Hire and train any needed staff to perform this service.
3. Set up a separate bank account (SBWMA currently uses Wells Fargo Bank).
4. Manage the entire transition from the past service provider to the new service provider with a timeline as to when services could begin. The current contract with the City of San Carlos expires June 30, 2015.
5. Work with the current service provider to get all information needed for the transition: account balances, account reconciliations, resolve how "in-transit" items will be handled such as AP invoices entered but unpaid, old files of paid invoices and documents.
6. The SBWMA has no role in this transition unless a task is specifically identified. None is anticipated.

Accounting and Financial Services

1. Establish and maintain bank and investment accounts (new accounts will be needed).
2. Enter all documents into the computer system: AP invoices, customer billing, cash receipts, journal entries, etc.
3. Process vendor invoices for payment; sign vendor disbursements.
4. Deposit receipts and manage receivables.
5. Input budget into accounting system.
6. Establish and implement internal financial controls.
7. Recommend and review financial policies and procedures.
8. General ledger account reconciliation and review.
9. Fixed asset sub-ledger system maintenance.
10. Manage the bond accounts, bond bank accounts, and make bond payments (semi-annually).
11. Recommend investment policies for Board approval.
12. Manage the investment of surplus cash and reserve funds.
13. Provide detailed information as requested from SBWMA staff on vendor payment issues, general ledger accounts, etc.

Financial Statements and Auditing

1. Work with auditors to report fiscal year audited financial results.
2. Manage the fiscal year-end audit process and prepare all work schedules as needed by auditor (currently on a fiscal year but may change to a calendar year).
3. Select and provide the audit firm to perform audit functions.
4. Prepare unaudited calendar year financial statements issued by the audit firm including review of bond covenants.

Customer Support

1. Provide advice on accounting and financial policies as requested by RethinkWaste.
2. Provide proactive, cooperative and friendly service to SBWMA staff.

Reporting

1. Provide detailed general ledger reporting by account and comparison to budget as requested.

Note: Payroll and Human Resources functions are **not** part of this RFP.

RethinkWaste is encouraging Proposers to thoroughly and concisely explain their particular approach to this project in their proposal to demonstrate their understanding of the scope of services requested.

The successful Proposer's services shall also be provided as requested by the Finance Manager on a time and materials basis as needed.

4. DESIRED QUALIFICATIONS

RethinkWaste is seeking Proposers with expertise in providing accounting services, financial statement preparation, and outside auditing. The proposer's audit firm would also provide the audit services for this contract and managed by the proposer.

The successful firm responding to this RFP shall demonstrate that it has the appropriate professional personnel and systems to fulfill the stated scope of services. **Any experience with providing similar services for other government agencies should be noted.**

5. TERM OF AGREEMENT

It is anticipated that RethinkWaste and the selected Proposer will enter into an agreement for a term of **three years, with options for two additional years**, commencing July 1, 2015.

If a proposer is not currently providing accounting and financial services for RethinkWaste then their written scope of work should address start-up issues and a transition plan with the current service provider.

Cancellation or termination of this contract without cause requires 270 days advance notice so that adequate time is given to finding a new service provider.

6. PROCEDURE FOR SUBMITTING QUESTIONS AND INQUIRIES

All questions/inquiries must be directed to Marshall Moran in writing via email at mmoran@rethinkwaste.org by April 3, 2015 at 3:00pm. RethinkWaste will provide a written response to all questions in the form of an Addendum to this RFP. Please include both a pdf version and the source file (e.g., Word document).

7. PROPOSAL REQUIREMENTS

7.1 Proposers must respond to this RFP by submitting a Proposal no later than April 24, 2015 at 3:00pm in order for submittals to be considered. Proposals must be addressed to the attention of Marshall Moran, clearly labeled "**Proposal – Accounting and Financial Services Project.**" Please include four (4) double-sided copies of the Proposal and subsequently send

one pdf version of the full proposal and all individual source files via email to mmoran@rethinkwaste.org by the 3:00pm deadline.

7.2 PROPOSAL CONTENTS

The Proposal should be concise and responsive. The length of the Proposal is limited to the guidelines explained below.

7.2.1 Cover Letter

A one (1) page (double-sided) cover letter describing your firm, its history, number of years in business, and how your firm meets the desirable qualifications and has the ability to perform the scope of services. The individual authorized to contractually bind the firm should sign the cover letter. The name of the proposer's audit firm should be provided as an appendix.

7.2.2 Proposal (Proposer Approach)

A maximum six (6) page (i.e., three (3) double-sided pages) proposal shall describe the recommended approach to successfully execute the scope of services in a timely and cost-effective manner.

- The Proposal must include a plan and time schedule of conversion from the current provider and clearly delineate each proposed service.
- The proposal must include a detail by function with FTE support and cost
- The proposal should list the qualifications and length of service of staff expected to perform the services

The proposer should plan on working with the current service provider in the preparation of the 2015 calendar year financial statement as half of the year's records will be with the current service provider. The new service provider will solely be responsible for preparing the 2016 calendar year financial statement. Proposal should include such information as the frequency of issuing vendor payments, name of current bank used (RethinkWaste currently uses Wells Fargo Bank), timing of issuing reports, and other relevant system capabilities. The current service provider will provide the audited June 30, 2015 financial statements and support.

7.2.3 Proposal Budget

A maximum two (2) page (i.e., one double-sided page) proposed budget shall provide the cost for each major service, the FTE staff for each major service and total cost. A separate cost will be provided for audit firm services for the two financial statements. Any additional services charged separately must be clearly delineated.

Proposer should include a proposed method for an annual cost adjustment such as CPI based adjustment with a not to exceed amount.

7.2.4 List of Staff

A one (1) page list of all staff, titles, and brief background associated with providing this service.

7.2.5 Attachment B – PROPOSAL CERTIFICATION

See **Attachment B**.

7.2.6 Attachment C – REFERENCE FORM

See **Attachment C**.

7.2.7 Additional Attachments

Proposers are encouraged to include pertinent information such as the type and useful features of their computer system, years with the current audit firm, plans to make any future changes to the computer system or audit firm, etc.

Attachment A – Draft Service Agreement

(see separate attachment)

Attachment B: Proposal Certification

AGENCY/FIRM NAME
ADDRESS
TELEPHONE #
FAX #
CONTACT NAME AND TITLE

PROPOSER REPRESENTATIONS

1. Proposer additionally certifies that neither Proposer nor its principals are presently disbarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, any California State agency, or any local governmental agency.
2. Proposer did not receive unauthorized information from any RethinkWaste staff member during the RFP response period except as provided for in the RFP package or through formal addenda issued by RethinkWaste.
3. Proposer hereby certifies that the information contained in the Proposal and all accompanying documentation is true and correct.

By signing below, the submission of a Proposal with all accompanying documents shall be deemed a representation and certification by the Proposer that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and that they have read and understand the RFP.

Authorized Representative Name (Sign name)
Authorized Representative Name (Print name)
Authorized Representative Title (Print title)
Complete additional signatures below as required.
Authorized Representative Name (Sign name)
Authorized Representative Name (Print name)

