

**COUNTY OF ERIE
OFFICE OF COMPTROLLER**

**95 FRANKLIN STREET
BUFFALO, NY 14202**

**County of Erie, New York
Indirect Cost Allocation Plans**

The Erie County Comptroller is seeking proposals from qualified vendors authorized to do business in the State of New York, to provide Indirect Cost Allocation Plan services. The RFP (#1331VF) can be found at: <http://www2.erie.gov/comptroller/> and a complete copy of the package can be obtained by contacting Paul Stachnik, Chief of Accounting Services at 716-858-6286.

All correspondence, communications and/or contact with the County in regard to any aspect of this proposal shall be with Paul Stachnik or his designated representative. Prospective proponents, or their representatives, shall not make contact with or communicate with any representatives of the County, including employees and consultants, other than the designated person in regard to any aspect of this proposal.

Final sealed proposals are due to the Erie County Comptroller at the same address by 4:00 pm (EDT) on October 11, 2013.

Erie County reserves the right to reject any and all proposals and waive any informality.

Stefan I. Mychajliw
Erie County Comptroller



**COUNTY OF ERIE, NEW YORK
REQUEST FOR PROPOSAL (RFP)
INDIRECT COST ALLOCATION PLANS**

**RFP #1331VF
Issued September 13, 2013
Proposals due October 11, 2013**

**STEFAN I. MYCHAJLIW
ERIE COUNTY COMPTROLLER
EDWARD A. RATH COUNTY OFFICE BUILDING
95 FRANKLIN STREET
BUFFALO, NEW YORK 14202**

COUNTY OF ERIE, NEW YORK
REQUEST FOR PROPOSALS (RFP) #1331VF
INDIRECT COST ALLOCATION PLANS

I – INTRODUCTION

Erie County desires to contract with an independent firm for a period of four years to develop central services cost allocation plans, indirect cost rate proposals, and maintenance-in lieu-of-rent computations. The County would like to provide the firm selected the option of extending the contract to cover an additional two years. Firms responding to this RFP may, at their discretion, provide price quotes for those years. Providing quotations for the additional two years is optional and proposals received without price quotes for those years will be accepted. Extension of the contract beyond the four initial years will require concurrence of both the County and contracting firm. The federal and full cost plans, rate proposals, and occupancy cost calculations will be based on actual or budgetary cost data, as later specified herein. Rate proposals include roll-forward adjustments determined from final costs for previous fiscal years.

II – BACKGROUND

The administration of federal grants and contracts usually requires the expenditure of resources of various organizations within county government. The Federal Office of Management and Budget 2 CFR Part 225, Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87) was issued to meet an expressed need for a more uniform approach to the problem of determining costs of federally aided programs. The Circular provides principles and standards for determining both direct and indirect costs applicable to federal grants and contracts with state and local governments.

The charging of joint or common costs against federal grants and contracts requires the prior preparation of cost allocation plans. Erie County must annually complete a countywide central services cost allocation plan. This plan must, in some cases, be successfully negotiated with the federal cognizant agency or state agencies. All are subject to single audit. County departments must prepare indirect cost rate proposals which are subject to negotiation and/or audit by program agencies.

III – OBJECTIVE

The County desires to ensure that administrative costs incurred on behalf of the federal programs operated by the County are recovered to the maximum extent possible under current guidelines. This will require adequate documentation of these costs, justification of their benefit to federal programs, accumulation of administrative overhead, and optimal allocation to programs served. Furthermore, designated personnel should be instructed in the use and application of the plan.

IV – SCOPE OF SERVICES

- A. Develop and prepare detailed federal indirect cost allocation plans for Erie County in accordance with OMB Circular A-87, based on actual financial information for each of the four years ending December 31, 2012 through 2015 (with an option of extending the contract to cover the two additional years ending December 31, 2016 through 2017). The plan must be prepared using a computer, and must provide at least one level of cross allocations among central services.
- B. Develop and prepare indirect cost rate proposals for the Departments of Social Services, Health and Mental Health; the Sheriff's Office; the District Attorney's Office; and any other departments/federal programs as may be required, in accordance with OMB A-87, for the years indicated in (A) above. Successfully negotiate these rates, as may be required. Provide instruction and guidance to departmental and program personnel in applying negotiated indirect cost rates, as may be necessary.
- C. Develop and prepare detailed full overhead indirect cost allocation plans for internal use by Erie County. The plans must be based on budgeted costs for the years ending December 31, 2014 through 2017 (with an option of extending the contract to cover the two additional years ending December 31, 2018 through 2019), and must be prepared as soon as possible after the budget for each year has been adopted. The full overhead cost plans are to be used for selective cost and rate setting, as may be appropriate and/or required by the County.
- D. Develop and prepare "maintenance-in-lieu-of-rent" analyses on a full overhead cost basis, using budgeted figures for the periods indicated in (C) above. These analyses are required to develop and present, separate from the cost allocation plans, the per square foot full occupancy cost attributable to County facilities.
- E. Review the County's data collection worksheets, allocation bases, indirect cost pools, and methods of distributing costs for appropriateness, and to identify alternative methodologies which may favorably impact indirect cost recoveries.
- F. Incorporate strategies and procedures previously implemented by the County that may be superior, in terms of potential recovery, to strategies and procedures that your firm would otherwise implement.
- G. Instruct designated County personnel in the specifics of indirect costing, including cost analysis and cost flow structuring, statistical collection and development techniques, interviewing, plan summarization and organization, theory of computation and plan implementation. Identify available data which can be effectively incorporated into the, indirect cost allocation plans, and determine opportunities for simplifying data collection activities for future plans.

- H. Monitor recoveries to ensure that all allowable recoveries are realized.
- I. Identify opportunities to back claim indirect costs on grants that remain open, or to offset indirect costs against costs questioned or disallowed under audit.
- J. Identify opportunities to utilize indirect costs as "matching" or in-kind costs in conjunction with federal/state programs.
- K. Analyze current and proposed federally funded programs operated by the County, the contribution of central services to their operation, and the existing and potential recovery of indirect costs.
- L. Identify opportunities to utilize full overhead costs for internal management and budgetary purposes, internal charging for full overhead cost-based direct billing, and as a foundation for user charge determination.

V - PROJECT DELIVERABLES

The contractor will be required to provide the following products in the performance of the contract:

- A. An oral and written presentation of enhancements to the central services cost allocation plan.
- B. Five hardcopies and 1 PDF file each of the budget and actual cost allocation plans proposing costs for the fiscal years indicated herein with appropriate narrative descriptions of OMB Circular A-87 Section I and Section II services, roll-forward adjustments, if appropriate, and an exhibit for attachment to any negotiation agreement.
- C. A schedule that compares the current- and prior-year total Indirect Costs by department and shows the changes from the prior year presented as an amount and a percentage. In addition, any differences in the allocation basis or sources used or other material changes in the plan from the prior year should be documented.
- D. Two copies of departmental indirect cost rate proposals.
- E. Two copies of the maintenance-in-lieu-of-rent computations.

VI - PERFORMANCE STANDARDS

The following performance standards will be met:

- A. The services to be performed by the contractor shall be undertaken in such sequence so as to assure their expeditious completion, and to best carry out the objectives of the County.

- B. All services of the contractor, with the exception of those related to negotiations or audit defense, shall be completed within sixty (60) days of the inception of field work in each year. Such field work will begin as soon after the issuance of the County's audited financial statements as is practicable.
- C. Periodic progress reports in a form agreed to by the County and the contractor will be made to assure that significant progress is maintained throughout the contract period.
- D. The contractor shall perform any additional tasks that may reasonably relate to preparation, negotiation, or defense of the plans and proposals prepared for a period of up to three years following the date of original submission of each year's plans and proposals to the County.
- E. The contractor will not request fees or expenses in addition to the contract amount, regardless of the actual time spent or other expenses incurred in preparing, negotiating, or subsequently defending the plans.

VII - QUALIFICATIONS OF CONSULTING FIRM

- A. List all consulting personnel who will participate in the engagement, and indicate the experience of each in preparing cost allocation plans subject to OMB A-87 during the past two years.
- B. Present a list of state, county, and city cost allocation and indirect cost recovery plans completed during the past two years by the personnel listed above, with (a) name of state, city or county, (b) client contact with telephone number, and (c) federal negotiator with whom each plan was negotiated, if applicable.
- C. List (with name, address, and telephone number of contact person) organizations or groups that have endorsed your services to cities or counties to implement cost allocation programs.
- D. Identify all indirect cost recovery programs subject to OMB A-87 completed during the past one year by your firm.
- E. Identify all full overhead cost recovery programs completed during the past one year by your firm.

VIII - GUARANTEES BY CONSULTING FIRM

The consulting firm shall, as a condition of payment, guarantee the following:

- A. The consultant will defend the County for a period of three years with the County's single auditor, or any other auditor, if the cost allocation plan is audited by federal or state representatives.
- B. The consulting firm will not request additional fees from the County, regardless of its actual time or other expenses incurred for the engagement.

IX - NON-DISCRIMINATION

During the performance of any contract awarded pursuant to this RFP, the contractor agrees as follows:

- A. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin.
- B. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- C. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- D. Notices, advertisements, and solicitations placed in accordance with federal laws, rules and regulations shall be deemed sufficient for the purpose of meeting the requirements of this section.

X - CONTRACT TERMS

The following terms shall be incorporated into any contract resulting from the acceptance of any proposal:

A. Contract Period

The contract will be effective for a four-year period (with an optional two-year extension), unless extended or terminated, as provided therein. The contract period may be changed only with the express agreement in writing of both parties, and with prior written approval by the County.

B. Termination

Upon the mutual written agreement of the County and the contractor, the contract may be terminated at any time. It is understood and agreed that any resulting

contract shall be subject to annual appropriations by Erie County. Should Erie County fail to appropriate funds for this contract, the contract shall be terminated when existing funds are exhausted.

C. Confidentiality of Data

The contractor agrees to protect the confidentiality of files, data, and other materials provided by the County, and to restrict their use to purposes of performing this contract only.

D. Care of Data

The contractor shall take all steps necessary to safeguard any data, files, reports, or other information from loss, destruction, or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the contractor when such loss or damage occurred through his negligence.

E. Equal Employment Opportunity Statement

All provisions relative to equal employment opportunity for all persons without regard to race, color, religion, sex, or national origin shall be incorporated as a part of the resulting contract.

XI - PROCUREMENT PROCESS

The following is a general description of the process by which a firm will be selected to perform the project:

- A. RFPs will be sent to prospective contractors.
- B. On-site visits prior to proposal submission will be permitted. Inquiries should be made to: Paul L. Stachnik, Chief of Accounting Services, at (716) 858-6286, or by e-mail at Paul.Stachnik@erie.gov.
- C. One original and two copies of the proposal will be received from each offeror in a sealed package marked: Request for Proposal – Indirect Cost Allocation Plan. Each proposal shall be signed and dated by an official authorized to bind the firm.
- D. All proposals must be received by the County no later than the date specified in this RFP.
- E. On the date specified for return, the proposal from each responding firm will be opened and the name of the firm recorded. Each proposal will be checked to determine if it is complete and meets the requirements of this RFP.

- F. At its option, the evaluators may request oral presentations or discussions with any or all offerors for the purpose of clarification or amplification of the material presented in any part of the proposal. However, offerors are cautioned that this provision is not mandatory; therefore, all proposals should be complete and concise and reflect the most favorable terms available from the offeror.

- G. Upon completion of the proposal evaluation process, the "not-to-exceed" cost offered will then become a matter of public record. Interested parties are cautioned, however, that these costs and their components are subject to further evaluation and possible negotiation and, therefore, may not be an exact indicator of an offeror's pricing position.

- H. Proposals will be evaluated by a County team using the following general criteria:
 - 1. Cost to the County.
 - 2. Experience of the personnel to be assigned by the proposing firm in preparing cost allocation plans.
 - 3. Experience of the firm regarding central services cost allocation plans.
 - 4. Statement of understanding of work to be performed.
 - 5. References from clients, federal negotiators, and associations attesting to the expertise of the firm and satisfaction of the clients.

Furthermore, the County may use other evaluation criteria which, in its sole judgment, are necessary for selecting the best offeror.

- I. Offerors are cautioned that this request is a request for offers, not a request to contract, and the County reserves the unqualified right to reject offers for any contract when such rejection is deemed to be in the best interest of the County.

XII - REQUEST FOR INFORMATION

All inquiries regarding requirements of this RFP should be directed to:

Mr. Paul L. Stachnik
Chief of Accounting Services
Erie County Comptroller's Office
Rath Building, 11th Floor
95 Franklin Street
Buffalo, New York 14202
Phone: 716-858-6286
Fax: 716-858-6195
Email: Paul.Stachnik@erie.gov

XIII - GENERAL CONDITIONS FOR SUBMITTING OFFERS

A. Award or Rejection

All qualified proposals will be evaluated and award will be made to the firm whose combination of cost and technical offers is deemed to be in the best interest of the County. The County reserves the unqualified right to reject any or all offers when such rejection is deemed to be in the best interest of the County.

B. Decline to Offer

Any firm which receives a copy of the RFP and declines to make an offer is requested to send a formal "Decline to Offer" to the issuing office. Failure to respond as requested may subject the firm to removal from consideration on future requirements.

C. Cost for Proposal Preparation

Any costs incurred by offerors in preparing or submitting offers are the offeror's sole responsibility. The County will not reimburse any offeror for any costs incurred prior to award.

D. Elaborate Proposals

Elaborate proposals, in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal, are not desired.

E. Reference to Other Data

Only information received in response to this RFP will be evaluated. Reference to information previously submitted will not suffice.

F. Safeguarding of "Confidential" Information

Any trade secrets or other data which the offeror does not wish disclosed to other than County personnel involved in the evaluation or contract administration will be kept confidential, if identified as follows:

Each page shall be identified in boldface at the top and bottom as "Confidential." Any section of the proposal which is to remain confidential should, in addition, be so marked in boldface on the title page of that section. Net cost information may not be deemed confidential.

G. Titles

Titles and headings in this RFP, and any subsequent contract, are for convenience only, and shall have no binding force or effect.

H. Time and Acceptance

Each proposal must state that it is a firm offer which may be accepted within a period of sixty (60) days. Although the contract is expected to be awarded prior to that time, the sixty (60) day period is requested in order to allow for unforeseen delay.

I. Form of Proposal

Each proposal should be submitted in a form which, at the option of the County, may be incorporated verbatim into a contract.

J. Exceptions

Any exceptions to terms, conditions, or other requirements in any part of the RFP must be clearly pointed out in a distinct section of the appropriate cost proposal or technical proposal. Otherwise, the County will consider that all items offered are in strict compliance with the RFP, and the successful offeror will be responsible for compliance.

K. Advertising

In submitting its proposal, the offeror agrees not to use the results therefrom as a part of any news release or commercial advertising without written approval of the County.

L. Confidentiality of Proposals

In submitting a proposal, the offeror agrees not to discuss or otherwise reveal his technical or cost information to any other sources, government or private, until after the award of the contract. Offerors not in compliance with this provision may be disqualified, at the option of the County, from contract award. Only discussions authorized by the County are exempt from this provision.

M. Right to Submitted Materials

All responses, inquiries, or correspondence relating to this RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the offerors, will become the property of the County when received.

N. Competitive Offer

Under penalty of perjury, the signer of any proposal submitted in response to this RFP thereby certifies that this proposal has not been arrived at collusively nor otherwise in violation of federal or state antitrust laws.

O. Offeror's Representatives

Offerors shall submit the name, address, and telephone number of the person(s) with the authority to bind the firm, as well as to answer questions or provide clarification concerning the firm's proposal.

P. Other Conditions

1. No proposal will be accepted from nor any agreement awarded to any proposer that is in arrears upon any debt or in default of any obligation owed to the County. Additionally, no agreement will be awarded to any proposer that has failed to satisfactorily perform pursuant to any prior agreement with the County.
2. Certified Minority Business Enterprise/Women's Business Enterprise (MBE/WBE) proposers should include the Erie County certification letter with the proposal.
3. If is a Veteran Owned Business, proposer should include letter indicating company is 51% or more Veteran-owned.

Q. Insurance Coverage Requirements

In its proposal, the offeror must agree that, if selected, it will be able to furnish the County with an Insurance Certificate that minimally meets the requirements contained in Vendor Classification C, Professional Services on the following form. The County must be a named or additional insured and the Department of Law must be the certificate holder. The offeror must maintain the coverage throughout the life of the contract. The County will not make payment for services unless acceptable insurance is in full force and effect.

County of Erie Standard Insurance Certificate



LAW-1 INS (Rev 3/06) This certificate does not amend, extend or alter the coverage afforded by the standard form policies listed below.

I Insured: Name Address Zip Phone No.	III Companies Affording Coverages		
	A		
	B		
	C		
II Issuing Agency: Name Address Zip Phone No.	D		

IV. This is to certify that the policies listed below have been issued to the Insured named above and are in force at this time.

Indicate Type of Insurance by Checking the Box	Policy Number	Expiration Date	Limits of Liability in Thousands		
			Check the Box	Occurrence	Aggregate
COMPANY LETTER from III above 1. General Liability <input type="checkbox"/> Comprehensive Form <input type="checkbox"/> Premises and Operations <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Independent Contractors <input type="checkbox"/> Contractual <input type="checkbox"/> Personal Injury <input type="checkbox"/> Broad Form Property Damage <input type="checkbox"/> Explosion, Collapse <input type="checkbox"/> Underground Hazard			<input type="checkbox"/> Bodily Injury <input type="checkbox"/> Property Damage OR <input type="checkbox"/> Combined Single Limit		
2. Automotive Liability Comprehensive Form OR <input type="checkbox"/> Schedule Form <input type="checkbox"/> owned <input type="checkbox"/> hired <input type="checkbox"/> non-owned			<input type="checkbox"/> Bodily Injury <input type="checkbox"/> Property Damage OR <input type="checkbox"/> Combined Single Limit		
3. Excess Liability <input type="checkbox"/> Umbrella Form OR <input type="checkbox"/> other than umbrella <input type="checkbox"/> auto <input type="checkbox"/> general <input type="checkbox"/> both			Bodily Injury & Property Damage Combined \$ _____ Self Insured Retention \$ _____		
4. Worker's Compensation & Employer's Liability Disability Benefits			Statutory Statutory		
5. Other					

V. County of Erie is included as an additional Insured under the following Policy numbers: _____

VI. Description of Operations: It is understood that this coverage on behalf of the Insured is for all locations in the County of Erie, State of New York

VII. Cancellation/Non-Renewal: Should any of the policies noted above be cancelled before expiration thereof or not renewed by the Insured, the issuing company will endeavor to mail _____ days advance written notice to the Certificate Holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

VIII. Name and Address of Certificate Holder & Recipient of Notice County of Erie c/o Department of Law 95 Franklin St., Room 1634 Buffalo, New York 14202 (716) 858-2200	Date Issued _____
	Auth. Representative _____
	Firm Name & Address _____

FOR COUNTY USE ONLY: Name of County Dept. Requesting Certificate
 Purchase Order or Contract Number
 Vendor Insurance Classification

EXHIBIT IC

INSTRUCTIONS FOR COUNTY OF ERIE STANDARD INSURANCE CERTIFICATE

I. Insurance shall be procured and certificates delivered before commencement of work or delivery of merchandise or equipment.

II. CERTIFICATES OF INSURANCE

A. Shall be made to the "County of Erie, Dept. of Law, 95 Franklin St., Room 1634, Buffalo, N.Y. 14202,"

B. Coverage must comply with all specifications of the contract.

C. Executed by an insurance company, agency or broker, which is licensed by the Insurance Department of the State of New York. If executed by a broker, notarized copy of authorization to bind or certify coverage must be attached.

III. Forward the completed certificate to: County of Erie (Department or Division) responsible for entering into the agreement for construction, purchase, lease or service.

IV. Minimum coverage with limits are as follows:

Vendor Classification	A Construction and Maintenance	B Purchase or Lease of Merchandise or Equipment	C Professional Services	D Property Leased To Others or Use of Facilities Or Grounds	E Concession- Aires Services	F Livery Services	G All Purposes Public Entity Contracts
Comp. Gen. Liab.	\$1,000,000	\$500,000 CSL	\$500,000 CSL	\$1,000,000	\$500,000 CSL	\$1,000,000	\$500,000 CSL
-Prem. & OPS	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Prods. & Compl. OPS	INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Independ. Contract	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Contractual	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Broad Form P.D.	INCLUDE	Note: Comprehensive Form Not Required					See note below
-X.C.U.							
-Personal Injury			INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Liquor Law				INCLUDE	See note below		
-Host Liquor							INCLUDE
Auto Liab.	\$1,000,000CSL		\$1,000,000CS	\$1,000,000CSL	\$1,000,000CS	\$1,000,000CS	\$1,000,000CSL
-Owned	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Hired	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
-Non-Owned	INCLUDE		INCLUDE	INCLUDE	INCLUDE	INCLUDE	INCLUDE
Excess Umbrella Liab.	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
	See note below						See note below
Worker's & Employer's Liability	STATUTORY	STATUTORY	STATUTORY	STATUTORY	STATUTORY	STATUTORY	
Disability Benefits	STATUTORY	STATUTORY	STATUTORY	STATUTORY	STATUTORY	STATUTORY	
Professional Liab.			\$1,000,000				
Erie County To Be Named Add'l Insd. On	Gen.Liab., Auto Liab., & Excess	Broad Form Vendors May Be Required	Gen.Liab., Auto Liab., & Excess	Gen.Liab., Auto Liab., & Excess	Gen.Liab., Auto Liab., & Excess	Gen.Liab., Auto Liab., & Excess	Gen.Liab., Auto Liab., & Excess

* Construction contracts require excess Umbrella Liability limits of \$3,000,000.

** Snow removal contracts require evidence of broad form property damage.

*** In the event the concessionaire is required to have a N.Y.S. license to dispense alcoholic beverages an endorsement for liquor liability is required.

**** Transportation of people in buses, vans or station wagons requires \$3,000,000 excess liability.

NOTE: Workers' Compensation & Employer's Liability plus NYS Disability Benefits does not apply to self-employed individuals.

V. In some circumstances it will be necessary to require alternate coverage and limits which will be defined in the bid specifications, contract, lease or agreement. The alternative specifications should be evidenced on the certificate in lieu of the standards printed above.

VI. The "ACORD" form certificate may be used in place of the County of Erie Standard Insurance Certificate, provided that all of the above referenced requirements are incorporated into the "ACORD" form certificate.