



Request for Proposals (RFP)

Auditing Services – RFP# CSPDC 2017-02
Central Shenandoah Planning District Commission (CSPDC)
December 4, 2017

PURPOSE AND INTRODUCTION

The purpose of this RFP is for the Central Shenandoah Planning District Commission (“CSPDC”) to enter into a contract with a public accounting firm whose principal officers are independent certified public accountants, certified or licensed to perform audits within the Commonwealth of Virginia, to provide audit services to the CSPDC. Any audit services performed as a result of this RFP must also comply with the provisions of Subpart F of Part 200 of Title 2 of the Code of Federal Regulations (2 CFR §200.500 *et seq.*, as the Commission is the recipient of grant and loan awards from the Federal Government.

The financial and performance audit services performed by the successful proposer (the “Auditor”, also referred to herein as the “Contractor”) will include:

- The Auditor will examine the financial statements of the CSPDC in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the Specifications for Audits of Authorities, Boards, and Commissions issued by the Auditor of Public Accounts of the Commonwealth of Virginia. The examination shall result in the preparation of financial statements for the audited records of the CSPDC with the Auditor’s opinion thereon. The Auditor’s opinion shall be unqualified and the Auditor shall furnish to the CSPDC on a timely basis its reasons for disclaiming an opinion, issuing a qualified opinion, or rendering an adverse opinion.
- The Auditor shall also conduct the examination in accordance with Government Auditing Standards and State and Local laws and regulations where applicable
- The Auditor shall provide an original, an electronic copy and up to 35 hard copies of the financial statements and Auditors reports for the CSPDC not later than December 20, of each year.
- The Auditor shall issue a report on the CSPDC’s internal controls to the CSPDC’s Board of Commissioners containing recommendations to strengthen internal control in accordance with the Specifications for Audits of Authorities, Boards, and Commissions.



Unless otherwise agreed to during the negotiation stage of the procurement process, the contract will be awarded for an initial three-year term for audits of the fiscal years ending June 30, 2018 through June 30, 2020. The contract will also include four additional one-year terms for audits of the fiscal years ending June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, respectively. These four additional one-year terms may be exercised at the sole option of the CSPDC. The cost for the optional one-year terms will be mutually agreed upon by the Central Shenandoah Planning District Commission and the successful Proposer.

DESCRIPTION OF ENTITY AND RECORDS TO BE AUDITED

The CSPDC was established in 1969 as a state planning district and a governmental subdivision of the Commonwealth of Virginia as authorized by the Virginia Area Development Act (Virginia Code § 15.1-1400). The Virginia Area Development Act has since been re-codified as the Regional Cooperation Act (Virginia Code § 15.2-4200). The purpose of the CSPDC is to promote the orderly and efficient development of the physical, social, and economic elements of the Planning District Six (the “Planning District”) by planning, encouraging and assisting governmental subdivisions to plan for the future.

The CSPDC serves the local governments of the counties of Augusta, Bath, Highland, Rockbridge, and Rockingham, the cities of Buena Vista, Harrisonburg, Lexington, Staunton and Waynesboro, and the 11 towns within the Planning District. The CSPDC’s administrative offices and all records are located at 112 MacTanly Place, Staunton, VA 24401.

The CSPDC is governed by an appointed Board of Commissioners and is staffed with thirteen full-time employees and three part-time employees.

The CSPDC receives funding annually from a variety of sources including local member contributions assessed on a per capita rate, state funding through the Commonwealth’s annual budgetary process and grants and service agreements for provision of technical assistance to meet local, state and federal priorities. Programs vary each fiscal year although funding from local, state and federal sources averages 23%, 21% and 52% respectively with an additional 2% provided by private funding and 2% by rental activities. Core programs consistently include Public Transit, two Metropolitan Planning Organizations, Transportation Planning, Community and Economic Development, Hazard Mitigation and Environmental Planning Services.

The CSPDC operates on the accrual basis of accounting and utilizes a cost allocation plan to calculate and assess an indirect rate to program direct charged salaries. The financial management system used by the CSPDC is QuickBooks.

The most recent annual audit report may be found on the website. Budgeted annual revenues in the fiscal year ending June 30, 2018 are \$3,818,545.

The CSPDC’s fiscal year 2017 audit will be available on the CSPDC website after the December Commission meeting to accept the audit. The meeting is on December 18, 2017.



AUDIT DELIVERY SCHEDULE

For the first audit year, the Central Shenandoah Planning District Commission's records will be audited through June 30, 2018. Staff will make all records available to the successful Proposer by September 15, 2018.

The Auditor will transmit one electronic copy of the draft audit reports to the CSPDC's Executive Director and Finance Officer by October 30, 2018. The final draft audit report is due no later than November 15, 2018. The final draft audit reports will be presented to the CSPDC's Board at its December 2018 meeting for approval.

Subsequent years will follow the same schedule, unless different dates are mutually agreed to by the parties. By way of example, for the fiscal year ending June 30, 2019, the draft audit report is due to the CSPDC's Executive Director and Finance Officer by October 30, 2019, and the final draft audit report is due no later than November 15, 2019.

RFP REQUIREMENTS

To be considered for selection, Proposers must submit a complete response to the Request for Proposal. Failure to submit all information requested may result in the rejection of the incomplete Proposal. CSPDC staff will review the RFP submittals, and the most qualified firms will be invited for telephone or in-person interviews in January 2018.

An electronic (PDF) copy of the Proposal shall be submitted with a subject line: "CENTRAL SHENANDOAH PLANNING DISTRICT COMMISSION Auditing Services Proposal" by **noon, DECEMBER 29, 2017** to bonnie@cspdc.org with a copy to Cindi Johnson at cindi@cspdc.org. Additionally, four (4) hard copies should be delivered to:

CENTRAL SHENANDOAH PLANNING DISTRICT COMMISSION
Attention: Bonnie Riedesel
112 MacTanly Place
Staunton, VA 24401

It is the sole responsibility of the Proposer to ensure their Proposal reaches the designated location by the designated date and hour. No Proposals received after the prescribed date and hour will be considered. All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Proposer and will not be reimbursed by the Central Shenandoah Planning District Commission. By submitting a proposal in response to this RFP, Proposer represents that it has reviewed and agrees to the terms of this RFP. Firms will not be compensated for time spent preparing responses to this RFP.

Proposals should be as thorough and detailed as possible to allow for a proper evaluation of the capabilities of each proposing accounting firm. However, Proposals should not be longer than 15 pages. Proposals, at a minimum, shall include the following items:



1. Auditing Experience

The Proposer should describe prior auditing experience including the information for at least three (3) prior organizations audited. Proposers should include the name of each organization, contact person, title, address, telephone number, and email address. Proposers should include additional information concerning their qualifications and experience, including but not limited to the following categories:

- a. Prior experience auditing Planning District Commissions
- b. Prior experience auditing programs funded by the Commonwealth of Virginia
- c. Prior experience auditing programs financed by the Federal Government
- d. Prior experience auditing county or local government activities
- e. Demonstrated ability in completing audits accurately and promptly

2. Organization, Size, and Structure

The Proposer should describe their organization, its office location(s) including information for any offices within the Commonwealth of Virginia, its size and structure. Proposers should indicate if the firm is a small, women, or minority-owned business. Proposers should include a copy of their most recent Peer Review, if the Proposer has had a Peer Review. Proposers should provide names, experience, and qualifications of the specific proposed audit team members who will conduct the audit for the CSPDC.

3. Understanding of Work to be Performed and Cost

The proposal should describe an understanding of work to be performed, including audit procedures, a description of the estimated work that would need to be done by Proposer to successfully perform the audit, including if applicable estimated hours for different tasks, and other pertinent information.

4. Proprietary Information

If Proposer includes proprietary information in its proposal, such information should be duly marked as "Proprietary Information" by the Proposer and justification for the designation should be included as required by § 2.2-4342, Code of Virginia, as revised.

5. Federal Certification

Each Proposer must include in its proposal the signed Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (Exhibit A).



6. SCC Identification Number

Each Proposer organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 shall include in its proposal the identification number issued to it by the State Corporation Commission. Any Proposer that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law shall include in its bid or proposal a statement describing why the Proposer is not required to be so authorized.

AWARD OF CONTRACT

1. Award of Contract:

Individual discussions and interviews. Once the proposals have been received, CSPDC will engage in individual discussions and interviews with a limited number of Proposers deemed fully qualified, responsible, and suitable on the basis of initial responses, and with demonstrated competence to provide the necessary services. Repetitive informal interviews shall be permissible. Non-binding estimates of pricing will be discussed and Proposers shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. In addition, Proposers shall be informed of any ranking criteria that will be used by the public body in addition to the review of the professional competence of the Proposer.

Negotiations and Award. At the conclusion of individual discussions and interviews, the CSPDC shall select in the order of preference two or more Proposers whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, beginning with the Proposer ranked first. If a contract satisfactory and advantageous to the CSPDC can be negotiated at a price considered fair and reasonable and pursuant to contractual terms and conditions acceptable to the CSPDC, the award shall be made to that Proposer. Otherwise, negotiations with the Proposer ranked first shall be formally terminated and negotiations conducted with the Proposer ranked second, and so on until such a contract can be negotiated at a fair and reasonable price.

Should the CSPDC determine in writing and in its sole discretion that only one Proposer is fully qualified or that one Proposer is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that Proposer.

The Central Shenandoah Planning District Commission reserves the right to reject any and all Proposals, and to waive informalities.

2. Contract Term and Renewal Options

Unless otherwise agreed to during the negotiation stage of the procurement process, the contract will be awarded for an initial term of approximately three years for audits of the fiscal years ending June 30, 2018 through June 30, 2020. The initial term will begin when the auditor begins to perform work on the audit for the fiscal year ending June 30, 2018, and expire when the audit for the fiscal year ending June 30, 2020, has been presented to and approved by the CSPDC's Board.

The contract will also include four additional one-year terms for audits of the fiscal years ending June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, respectively. These four additional one-year terms may be exercised at the sole option of the CSPDC. Each additional one-year term will expire after the audit for the applicable fiscal year has been presented to and approved by the CSPDC's Board. The cost for the optional periods will be negotiated during the Negotiations and Award stage of the RFP process.

The CSPDC may, at its sole discretion, and with at least (10) ten business days in advance of the end date of a contract term, extend, in writing, the term of the existing contract to allow completion of any work undertaken but not completed; extension decisions will be based on a written report from the auditing firm with express details of the causes of the anticipated delay and commitment to complete the work within a reasonable time period.

3. **Protest of Award or Decision to Award.** Protests of contractor selection must be made in writing within ten days of the announcement of the award or the decision to award a contract by the CSPDC. Protests must be addressed to the CSPDC's Executive Director, who will provide a written record of receipt of the protest to the protester and the project file. The protest must contain a statement of the basis for the protest and the relief sought.

The Executive Director has ten days to issue a written ruling rule on the protest. The Executive Director's ruling is final, subject to the terms of the Virginia Public Procurement Act, including but not limited to Virginia Code Section 2.2-4364.

4. **Additional Required Contract Terms.** Any Contract awarded as a result of this RFP will include the following contract terms.

- A. **Small, women, and minority owned businesses.** If the Auditor is a small, women-owned, or minority-owned business as those terms are defined in Virginia Code Section 2.2-4310, the Auditor agrees that if the Auditor intends to subcontract work as part of its performance under this contract, the Auditor shall include in the proposal a plan to subcontract to small, women-owned, minority-owned, and service disabled veteran-owned businesses.
- B. **Employment discrimination by contractor prohibited.** During the performance of this contract, the Auditor agrees as follows:
 - i. The Auditor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Auditor. The Auditor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - ii. The Auditor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such Auditor is an equal opportunity employer.

- iii. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs i, ii and iii in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

- C. **Compliance with federal, state, and local laws and federal immigration law.** The Auditor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- D. **Drug-free workplace to be maintained by contractor.** During the performance of this contract, the Auditor agrees to (i) provide a drug-free workplace for the Auditor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Auditor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Auditor that the Auditor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

- E. **Authorized to transact business in Virginia.** Auditor shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 or as otherwise required by law.
- F. **Additional required contract terms.** Any contract entered into as a result of this procurement will be funded in part with federal funding, and the additional contract terms stated in Exhibit B will form part of the contract.

Issued by: Central Shenandoah Planning District Commission
Bonnie Riedesel, Executive Director
112 MacTanly Place, Staunton, VA 24401
Telephone (540) 885-5175
Email: bonnie@cspdc.org



Exhibit A

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction"

This contract is a covered transaction for purposes of 2 CFR 180. As such, the Contractor is required to verify that the Contractor and none of its principals are excluded or disqualified as defined under Executive Orders Nos. 12549 and 12689.

The Contractor is required to comply with 2 CFR 1200, and must include the requirement to comply with 2 CFR 1200, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the Proposer certifies as follows:

1. The prospective lower tier participant certifies, by submission of this bid or proposal, that neither it nor its "principals" as defined at 49 C.F.R. § 29.105(p) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. When the prospective lower tier participant is unable to certify to the statements in this certification, such prospective participant shall attach an explanation to this proposal.

The Proposer, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification and disclosure, if any.

The certification in this clause is a material representation of fact relied upon by the CSPDC.

If it is later determined that the Proposer knowingly rendered an erroneous certification, in addition to remedies available to the CSPDC, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Proposer agrees to comply with the requirements of 2 CFR Part 180 while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder Proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

_____ Signature of Proposer's Authorized Official

_____ Name and Title of Proposer's Authorized Official

_____ Date

Exhibit B

- A. **Incorporation of FTA-required contractual provisions.** All contractual provisions required by USDOT/Federal Transit Administration, as set forth in FTA Circular 4220.1F and 2 C.F.R. part 1201, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all USDOT/FTA-mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Auditor shall not perform any act, fail to perform any act, or refuse to comply with any CSPDC requests, which would cause the CSPDC to be in violation of the USDOT/FTA terms and conditions.
- B. **Access to Records.** The following access to records requirements apply to this Contract:
- i. Auditor agrees to provide the Purchaser, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Auditor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.
 - ii. Auditor agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Auditor agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).
- C. **Federal Changes.** Auditor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.
- D. **No Obligation by the Federal Government.** The Auditor acknowledges and agrees that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Purchaser, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

- E. **Program Fraud and False or Fraudulent Statements or Related Acts.** The Auditor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Auditor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Auditor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Auditor to the extent the Federal Government deems appropriate.

The Auditor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Auditor, to the extent the Federal Government deems appropriate.

The Auditor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

- F. **Termination for Cause** If the Auditor fails to perform in the manner called for in the contract, or if the Auditor fails to comply with any other provisions of the contract, the CSPDC may terminate this contract for default. Termination shall be effected by serving a notice of termination on the Auditor setting forth the manner in which the Auditor is in default. The Auditor will only be paid the contract price for services performed in accordance with the manner of performance set forth in the contract.

If it is later determined by the CSPDC that the Auditor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Auditor, the CSPDC, after setting up a new delivery of performance schedule, may allow the Auditor to continue work, or treat the termination as a termination for convenience.

In the event that CSPDC elects to waive its remedies for any breach by Auditor of any covenant, term or condition of this Contract, such waiver by Auditor shall not limit CSPDC's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract. Unless otherwise directed by the CSPDC, Auditor shall continue performance under this Contract while matters in dispute are being resolved.

G. **Civil Rights** - The following requirements apply to the underlying contract:

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.



(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

H. **Disadvantaged Business Enterprises**

a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. A separate contract goal has not been established for this procurement.

b. The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as CSPDC deems appropriate. Each subcontract the Contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

c. The successful bidder/offeror will be required to report its DBE participation obtained through race neutral means throughout the period of performance.

d. The Contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the Contract's receipt of payment for that work from CSPDC. In addition, the Contractor may not hold retainage from its subcontractors.

e. The Contractor must promptly notify CSPDC whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work.

The Contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of CSPDC.