SECTION 1

1.0 INTRODUCTION

The Appalachian Regional Commission (ARC or Commission) is issuing this competitive Request for Quote (RFQ) to solicit contractors holding a General Services Administration (GSA) contract, Multiple Award Schedule 541211 Auditing Services for the purpose of entering into a Task Order against its existing contract.

The ARC will conduct this for the purpose of obtaining independent auditing services of ARC’s financial statements.

1.1 TYPE OF DELIVERY ORDER

The type of Task Order is Firm Fixed Price.

1.2 PRICING – CONTRACT LINE ITEM NUMBERS (CLIN)

Offerors shall provide firm fixed prices required to fully perform the work described in Section 2, based upon their GSA Schedule labor categories and rates, and any discounts offered. The offeror shall propose their GSA labor categories which they consider the most appropriate to perform the required work in Section 2. The ARC OIG encourages and will accept discounted prices.

<table>
<thead>
<tr>
<th>CLIN</th>
<th>Description</th>
<th>Firm Fixed Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>00001</td>
<td>Financial Auditing Services</td>
<td></td>
</tr>
<tr>
<td>10001</td>
<td>Financial Auditing Services</td>
<td></td>
</tr>
<tr>
<td>20001</td>
<td>Financial Auditing Services</td>
<td></td>
</tr>
<tr>
<td>30001</td>
<td>Financial Auditing Services</td>
<td></td>
</tr>
<tr>
<td>40001</td>
<td>Financial Auditing Services</td>
<td></td>
</tr>
</tbody>
</table>

TOTAL FFP $
STATEMENT OF WORK

2.0 AGENCY MISSION

The Appalachian Regional Commission is a regional economic development and grantmaking agency representing a unique partnership of Federal, state, and local government. Established by an act of Congress in 1965, the Commission is composed of the Governors of the 13 Appalachian states and a Federal Co-Chairman, who is appointed by the President and confirmed by the Senate. Grassroots participation is provided through multi-county local development districts with boards made up of elected officials, businesspeople, and other local leaders. The geographic boundaries of the Appalachian Region extend from the southern tier counties in central and western New York to the northern counties of Alabama and Mississippi. The region also includes the eastern counties of Ohio, Kentucky, and Tennessee; the western counties of Pennsylvania, Maryland, Virginia, North Carolina, South Carolina, and Georgia and the entire state of West Virginia.

Appalachian development plans are produced by the applicable Appalachian Governor, in consultation with local development districts. The objective of these programs is to support development of Appalachia's human and community infrastructure that will provide a climate for business and industrial growth to create jobs. ARC funded programs include education and job training; health care; water and sewer systems; housing; broadband; access to capital; and other essentials of comprehensive economic development, and highway construction.

ARC staff is responsible for program development, policy analysis and review, grant development, technical assistance to states, and management and oversight.

The Office of the Federal Co-Chairman, the Commission and all ARC personnel are located in Washington, DC and are administratively responsible for ARC operations. The States maintain an Office of the State’s Representative that primarily provides ARC with an on-site liaison.

Each of the 13 Appalachian states has an Office of Appalachia or its equivalent, with responsibilities for project planning and program administration. ARC grants are made to a wide range of entities including: local development districts, State ARC Offices, state and local governments, educational establishments, nonprofit organizations, and a variety of economic development projects.
ARC budgets have ranged from $150 million to $180 million in recent years. Approximately 400 grants are made annually generally ranging from $50,000 to $1,500,000.

Additional information is available on the internet at www.ARC.gov.

2.1 OBJECTIVE

The primary objective of this effort is to obtain highly qualified contractor support to perform independent auditing services of ARC’s financial statements.

2.2 BACKGROUND

The Accountability of Tax Dollars Act of 2002 requires the Inspector General to perform an independent audit of ARC’s financial statements each fiscal year (FY) covering all accounts and associated activities of each office, bureau, and activity of the Commission.

ARC’s appropriation has increased significantly over the past several years. ARC received $90 million in appropriation during FY 2015; while that amount has increased to $175 million appropriated in FY 2020. ARC staff has also increased since 2015, going from 41 staff members in May 2015 to 51 staff members in May 2020.

In fiscal year 2020, ARC received an unmodified opinion; no material weaknesses or significant deficiencies were identified. The associated reports, principle financial statements, management discussion and analysis, and other accompanying information are available to the public and can be accessed in their entirety from ARC’s webpage.

2.3 SCOPE OF WORK

The Contractor shall be required to furnish all management, labor, and services required to perform an independent audit of ARC's financial statements. The Contractor will render an opinion on the state of ARC's financial statements, issue a report on internal controls, and issue a report on compliance with laws and regulations, as related to the financial statements for the fiscal year ending September 30, 2021.
The Contractor may also be required to issue a management letter report if the contractor/auditors identify matters during the audit that do not warrant inclusion in the audit reports.

All work performed under this Task Order must be in accordance with the most current version of Generally Accepted Government Auditing Standards (GAGAS) issued by the Government Accountability Office (GAO), the Federal Financial Manual issued by the GAO, the Council of Inspectors General on Integrity and Efficiency (CIGIE), and the most current versions of any applicable statutory or regulatory requirements issued by the Office of Management and Budget (OMB).

2.3.1 TASKS

TASK 1 - AUDIT MANAGEMENT

The Contractor shall provide management and oversight of all tasks performed under this Task Order to include quality assurance of deliverables, maintaining deadlines, and monitoring day-to-day operations. Specific activities include:

a) Arrange entrance and exit conferences to be attended by key commission officials, including the preparation of agendas and meeting minutes.
b) Prepare and deliver engagement letter to the ARC Inspector General.
c) Submit monthly status reports to the ARC OIG (Office of Inspector General). At a minimum, the monthly status report will include work completed, work in progress, planned work, and percentage of audit phase completed.
d) Report any preliminary Notice of Findings and Recommendations during a meeting prior to the formal issuance of a Notice of Finding and Recommendations to the ARC OIG.
e) Report on any potential material weakness, significant deficiency, or other reportable condition upon discovery to the ARC OIG. For each confirmed instance, the Contractor must prepare a Notice of Findings and Recommendations and submit to the ARC OIG for review.
f) Schedule and facilitate status meetings, as needed, or deemed necessary by the ARC OIG, including the preparation of agendas and meeting minutes.
g) Create, develop, and maintain the provided by client list.
h) Discuss with the ARC OIG the status of any problems that may negatively impact the delivery dates.
i) Deliver final audit reports (with a target time of three days
before the established deadlines set by the Office of Management and Budget.)

j) Provide copies of working papers and supporting documentation to the ARC OIG upon request.

**TASK 2 - AUDIT PLANNING**

The Contractor shall gain an understanding of ARC’s operations, financial business processes, key internal controls, and associated control risk and develop an audit plan to perform the work under this task order.

**TASK 3 - INTERNAL CONTROL AND COMPLIANCE**

The Contractor will obtain an understanding of internal control and test the effectiveness of certain controls that are considered relevant to preventing and detecting errors, misstatements resulting from illegal acts, and other non-compliance matters that have a direct and material effect on the financial statements. The Contractor will assess the risks relevant to the assertions in significant cycles, classes of transactions, account balances, and disclosure components of the financial statements.

The Contractor will determine whether ARC’s internal controls provide reasonable assurance of achieving control objectives.

The Contractor will perform necessary work to obtain reasonableness on ARC’s compliance with certain laws and regulations.

The Contractor will report the results of testing in the monthly status report to the ARC OIG.

**TASK 4 - TESTING**

The Contractor shall perform all work required, including all necessary testing, to render an opinion on whether the financial statements and associated notes present fairly the financial position of ARC for the audited fiscal year.

The Contractor will evaluate the interim and final financial statement packages for compliance with generally accepted accounting principles. The Contractor will perform substantive testing of individual account balances and significant internal
controls as necessary to render an opinion on the financial statements.

**TASK 5 - REPORTING**

The Contactor will issue a report that includes:
1) An opinion on the financial statements as of and for fiscal years ending September 30, 2021 and 2020, including related notes.
2) A report on internal control over financial reporting; and
3) A report on compliance with applicable laws and regulations.

The Contactor may also be required to issue a management letter report that will include any findings and recommendations for matters identified during the performance of the audit that were not required to be included in the audit reports.

The Contactor will review ARC’s Annual Financial Report to include the Principal Financial Statements, Management Discussion & Analysis, and Other Supplemental Information to ensure these sections are consistent with the audited financial statements.

**2.4 DELIVERABLES**

All deliverables shall be submitted electronically unless electronic delivery is not practical and/or otherwise directed. Electronic files shall be submitted in a format that will enable the recipient to read using Microsoft’s Windows operating system, Microsoft Office products, and Acrobat-PDF. The Contactor shall ensure all documentation and applicable deliverables contain the required elements as described in Generally Accepted Government Auditing Standards and the General Accountability Office (GAGAS), Council of the Inspectors General on Integrity & Efficiency (GAO/CIGIE) Financial Audit Manual. All deliverables shall be provided in a professional format and free of grammatical errors. All electronic deliverables must have Optical Character Recognition (OCR) capability.

The Contactor shall be required to schedule a Post-Award Conference with the ARC OIG within 2 weeks from the date of award, to be held at the Appalachian Regional Commission office, unless impractical, at a date and time that is mutually agreed upon.

The table below outlines the key deliverables, delivery point of contact, and due dates. The due dates presented are subject to revision.
<table>
<thead>
<tr>
<th>No.</th>
<th>Deliverable</th>
<th>Delivery</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Post-Award Conference/Minutes</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>2</td>
<td>Staff Independence Statements</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>3</td>
<td>Staff Non-Disclosure Forms</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>4</td>
<td>System of Quality Control</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>5</td>
<td>External Peer Review Report</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>6</td>
<td>CPA License Documentation</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>7</td>
<td>Certification Staff has met CPE requirements</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>8</td>
<td>Engagement Letter</td>
<td>ARC OIG</td>
<td>To be negotiated at Post-Award Conference</td>
</tr>
<tr>
<td>9</td>
<td>Meeting Agenda(s), if applicable</td>
<td>ARC OIG</td>
<td>One business day prior to each meeting.</td>
</tr>
<tr>
<td>10</td>
<td>Meeting Minutes, if applicable</td>
<td>ARC OIG</td>
<td>Within three business days after each meeting</td>
</tr>
<tr>
<td>11</td>
<td>Preliminary Audit Schedule</td>
<td>ARC OIG</td>
<td>2 weeks from date of award</td>
</tr>
<tr>
<td>12</td>
<td>Monthly Status Reports Beginning after the Month of Entrance Conference</td>
<td>ARC OIG</td>
<td>Monthly</td>
</tr>
<tr>
<td></td>
<td>through Delivery of Final Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Audit Program</td>
<td>ARC OIG</td>
<td>Estimated delivery date to be identified in Preliminary Audit Schedule</td>
</tr>
<tr>
<td>14</td>
<td>Notice of Findings and Recommendations</td>
<td>ARC OIG</td>
<td>As soon as findings are identified.</td>
</tr>
<tr>
<td>15</td>
<td>Report on the Financial Statement</td>
<td>ARC OIG</td>
<td>Three workdays prior to OMB deadline (on or about Nov. 15, 2021)</td>
</tr>
<tr>
<td>16</td>
<td>Report on Internal Control</td>
<td>ARC OIG</td>
<td>Three workdays prior to OMB deadline for FS (on or about Nov. 15, 2021)</td>
</tr>
<tr>
<td>17</td>
<td>Report on Compliance with Laws and Regulations</td>
<td>ARC OIG</td>
<td>Three workdays prior to OMB deadline (on or about Nov. 15, 2021)</td>
</tr>
<tr>
<td>18</td>
<td>Management Letter, if applicable</td>
<td>ARC OIG</td>
<td>Thirty days after issuance of Financial Statement report.</td>
</tr>
<tr>
<td>19</td>
<td>Audit Completion Checklist</td>
<td>ARC OIG</td>
<td>Ten workdays after issuance of Final Report</td>
</tr>
<tr>
<td>20</td>
<td>Audit Summary Memoranda</td>
<td>ARC OIG</td>
<td>Ten workdays after issuance of Final Report</td>
</tr>
</tbody>
</table>
2.5 INSPECTION AND ACCEPTANCE

Final inspection and acceptance of work performed, reports, and other deliverables will be performed by the ARC OIG.

2.6 GOVERNMENT FURNISHED PROPERTY

When on-site access is necessary, the Contractor will be provided office space equipped with wireless connection, and access to reproduction capabilities, facsimile capabilities, system access required for the performance of this Task Order, and access to the internet.

Some required activities including initial network access and some security processes will require onsite visits by the contractors. Some documents necessary for review will require onsite visits for review and testing. The Contractor is responsible for returning all government equipment to the appropriate ARC representative at the completion of the contract.

2.7 SECURITY AND PRIVACY CONSIDERATIONS

2.7.1 Contractor personnel must satisfy all security requirements for access to government facilities and government information. The contractor will be responsible for ensuring compliance of security requirements for all personnel and subcontractor personnel, if applicable.

2.7.2 Contractor personnel may be required to complete ARC’s information security awareness training to obtain access to the network and information systems.

2.7.3 Contractor personnel performing work on this Task Order may have access to information covered by the Privacy Act, Title 5 of the U.S. Code, Section 552a. Contractor personnel will be responsible for adhering to the requirements of the Privacy Act as well as any applicable ARC or federal regulation regarding privacy and other types of non-public information.

2.7.4 The Contractor shall provide contractor personnel with active favorable Suitability/Fitness Determinations and/or Public Trust Determinations.

2.7.5 Contractor personnel who require routine access to the primary work location will be given such access as necessary. The Contractor is responsible for returning all badges and credentials to the appropriate ARC representative at
the completion of the contract or when routine access to the primary work location is no longer required.

2.7.6 Contractor personnel will be required to sign a Nondisclosure Agreement Nonpublic Information form after award and prior to the commencement of work.

2.8 TRAVEL

Other than travel to and from ARC’s location in Washington, D.C., no travel is anticipated. ARC will not reimburse any travel expenses in the performance of work under this Task Order.

2.9 SPECIAL REQUIREMENTS

Audit Documentation Retention and Access. Audit documentation shall be retained and safeguarded for a period of five (5) years. During this time, the Contractor shall make the audit documentation available to the ARC OIG if requested at no additional cost.

Skill Qualifications. The ARC OIG reserves the right to review all proposed employees' resumes and qualifications of new or replacement personnel.


Please note, however, the Contractor may be required to perform work under this Task Order to meet reporting deadlines on the following Federal Holidays: Labor Day, Columbus Day and Veterans' Day.

2.10 GENERAL ACCEPTANCE CRITERIA

General quality measures, as set forth below, will be applied to each work product received from the contractor under this statement of work.

• Accuracy - Work products shall be accurate in presentation, technical content, and adherence to accepted elements of style.
• **Clarity** - Work products shall be clear and concise. Any/all diagrams shall be easy to understand and be relevant to the supporting narrative.

• **Consistency to Requirements** - All work products must satisfy the requirements of the Statement of Work.

• **File Editing** - All text and diagrammatic files shall be editable by the ARC OIG.

• **Format** - Work products shall be submitted in hard copy (where applicable) and in media mutually agreed upon prior to submission. Hard copy formats shall follow any specified directives.

• **Timeliness** - Work products shall be submitted on or before the due date specified herein or submitted in accordance with a later scheduled date determined by the ARC OIG.

2.11 **AUDIT TEAM PERSONNEL**

Certain skilled experienced professional personnel are essential for accomplishing the work to be performed. The individuals named below are Audit Team Personnel, who will be directing and performing the day-to-day tasks and quality control activities to complete the work in section 2 for the audit of the financial statement. The resumes of these individuals shall be submitted and marked by the contractor as “Audit Team Personnel”.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Minimum Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Control Manager</td>
<td>2+ years audit quality control experience</td>
<td></td>
</tr>
<tr>
<td>Supervisory/Audit Manager</td>
<td>5+ years audit supervisory experience, CPA</td>
<td></td>
</tr>
<tr>
<td>Senior Auditor</td>
<td>3+ years audit experience; CPA and/or CIA</td>
<td></td>
</tr>
<tr>
<td>Auditor</td>
<td>2+ years audit experience</td>
<td></td>
</tr>
</tbody>
</table>

**Substitution of Audit Team Personnel**

The Contractor agrees to assign those persons identified above and who are necessary to fulfill the requirements of the contract as key personnel. No substitutions shall be made except in accordance with this clause. Prior to removing, replacing or diverting
any of the specified individuals, the Contractor shall promptly notify the ARC OIG.

All proposed substitutions shall be submitted to the ARC OIG for approval at least 15 calendar days in advance of the proposed effective date (unless substitution is necessitated by sudden illness, death, or termination of employment in which case notice shall be within five (5) calendar days of the effective date), and must provide the information as stated herein.

All requests for substitutions shall be in writing unless otherwise agreed to by the ARC OIG and shall include a complete resume for the proposed substitute and any other information required by the ARC OIG to permit effective evaluation of the proposed substitution’s qualifications.

Requests for substitution of the key personnel named above must also provide a detailed explanation of the circumstances necessitating it and sufficient information for the ARC OIG to evaluate the impact of the substitution on contract performance.

SECTION 3

GENERAL TERMS AND CONDITIONS

In addition to the terms and conditions specified in this Order, all terms and conditions of the Contractor’s GSA Schedule shall also apply.

3.0  TYPE OF ORDER

The ARC OIG will issue a Firm Fixed price Task Order, issued under a GSA MAS Category 541211, Financial Services.

3.1  PERIOD OF PERFORMANCE

Base: May 4, 2021 - May 3, 2022
Option Year 1: May 4, 2022 - May 3, 2023
Option Year 2: May 4, 2023 - May 3, 2024
Option Year 3: May 4, 2024 - May 3, 2025
Option Year 4: May 4, 2025 - May 3, 2026

3.2  PLACE OF PERFORMANCE

Work shall be primarily performed at the Contractor’s facilities, but may require on-site performance at the ARC office (address below):

Appalachian Regional Commission
1666 Connecticut Ave. N.W, Suite 700
Washington, D.C.  20009
3.3 TASK ORDER MANAGEMENT

The following individuals will serve as the ARC OIG’s points of contact during the performance of this Task Order:

Clayton Fox
Appalachian Regional Commission
1666 Connecticut Ave. N.W, Suite 700
Washington, D.C. 20009
Email: oig@arc.gov

3.4 SUBMISSION OF INVOICES

All invoices shall be emailed to the ARC OIG at OIG@ARC.gov. All billing issues shall be handled and resolved between the Contractor and the ARC OIG.

To ensure a proper invoice is submitted, the following information must be on each invoice submitted:

1. Name and address of contractor
2. Invoice date and invoice number
3. Purchase Order No. (34300021XXXXX)
4. Description, price, CLIN, and quantity of services and/or supplies delivered;
5. Delivery Date/Performance Period covered by the invoice;
6. Payment terms
7. Name and address of the contractor’s official to whom payment is to be sent. The “Remit To” address must correspond to the remittance address in this contract;
8. Name, title, phone number, and mailing address of contact person to be notified in the event of a defective invoice.

3.5 AUTHORITY TO OBLIGATE PUBLIC FUNDS

The Appalachian Regional Commission is the only entity that can legally commit or obligate the expenditure of public funds. No cost chargeable to the contract or task orders can be incurred before receipt of a fully executed contract or task order or specific authorization from the appropriate ARC representative.

SECTION 4

QUOTATION PREPARATION INSTRUCTIONS

4.0 GENERAL INFORMATION

The Appalachian Regional Commission is issuing this Request for Quotation to solicit GSA contract holders for the purpose of entering a Task Order for the purchase of financial statement auditing services.
DUE DATES

➢ Questions related to this Request for Quotation must be emailed to OIG@ARC.gov, no later than 5:00 p.m. E.T., Tuesday, April 20, 2021.

➢ Written Quotation shall be received by the ARC OIG on or before 12:00 p.m. E.T., Wednesday, April 21, 2021.

4.1. QUOTATION PREPARATION INSTRUCTIONS

Technical Format Requirements:
- Text shall be at least single-spaced, on 8 ½ x 11-inch paper, with a minimum one-inch margin all around.
- Pages shall be numbered consecutively.
- A page printed on both sides will be counted as two pages.
- Pages submitted in excess of the page limitations stated herein will be removed and not evaluated.
- Print shall be a minimum 12-point font size spacing. Bolding, underlining and italics may be used to identify topics or points of emphasis.
- Graphic presentations, including tables, shall have spacing and text that is easily readable.

Technical Page Limitations:

<table>
<thead>
<tr>
<th>Technical Factor 1 – Technical Approach</th>
<th>Description</th>
<th>Max Page Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover page</td>
<td>Section 1: Description of firm quality control system and independence policy</td>
<td>Limited to 5 pages</td>
</tr>
<tr>
<td>Section 2: Peer Review Report/Letter of Comment</td>
<td></td>
<td>Unlimited</td>
</tr>
<tr>
<td>Section 3: Technical Approach</td>
<td></td>
<td>Limited to 10 pages</td>
</tr>
<tr>
<td>Section 4: Resumes</td>
<td></td>
<td>3 pages each individual</td>
</tr>
<tr>
<td>Technical Factor 2 – Past Performance</td>
<td>Past Performance Documentation</td>
<td>Limited to 2 pages</td>
</tr>
</tbody>
</table>

Technical Content Requirements:

The Technical content shall be submitted in a searchable Adobe .pdf (OCR capable) file with the following sections:
Factor 1: Technical Approach

- **Cover:** The cover page must include the solicitation number, company name, and technical point of contact.

- **Section 1:** Description of firm quality control system and firm independence policy, including statements covering firm and auditors’ independence regarding this contract.

- **Section 2:** Peer Review Report, associated letter of comment, and firm response.

- **Section 3:** Technical Approach. The offeror shall clearly demonstrate their approach to satisfying the requirements of this solicitation as defined in the SOW, primarily focusing on the tasks associated with the Financial Statement Audit in a virtual environment. This section of the Offeror's proposal shall address information regarding how the proposed technical task areas will be performed, the various resources that will be used to facilitate performance, communication methods, and an identification of potential difficulties in conducting the work and practical suggestions for overcoming these difficulties.

- **Section 4:** Resumes. The offeror shall clearly demonstrate through the submission of resumes that key audit team personnel meet or exceed the minimum criteria. Resumes should show all relevant qualifications and experience of staff members. Resumes shall at a minimum contain the following information, in the order specified to demonstrate the proposed individuals meet the qualifications specified in the SOW.
  - Proposed Position
  - Full Name
  - Employment Status
  - Education (Degrees, Certifications, and demonstrate that GAGAS CPE requirements have been met)
  - A statement that identifies whether or not the proposed individual worked on a contract that is being used in the past performance reference.
  - Experience performing financial statement audits

Factor 2: Past Performance

The offeror’s documented past performance in related efforts will be evaluated as an indication of the ability to perform in accordance with the solicitation. The offeror shall submit a minimum of three (3) past performance references submitted with the quotation, that are of similar work and scope. Each reference shall also include a list of deliverables provided during the past performance. Evaluation will be based on the relevancy and quality of recent efforts accomplished by the offeror. Other information that may be obtained, including how well the offeror cooperated with the client, the quality and timeliness of work delivered, and if costs were properly controlled (if applicable) will also be evaluated. Past performance information may also
be accessed by the ARC OIG from available online databases.

**Factor 3: Price**

This document will contain GSA Schedule Number, pricing information, point of contact, and organization’s DUNS number. Discounted pricing from the offeror’s GSA Schedule is encouraged.

The business/price quote shall include:

- The completed Section 1.2 – Pricing- Contract Line Item Numbers (CLIN)
- The offeror’s GSA Schedule Contract Number and DUNS Number
- The offeror’s contractual Point of Contact information
- Any assumptions, conditions, or exceptions to the RFQ
- A breakdown of labor categories and hours allocated to each task. No labor rates are necessary. See Attachment 2 for Pricing Submittal.

**SECTION 5**

**EVALUATION OF QUOTATIONS**

**5.0 GENERAL INSTRUCTIONS**

Quotes shall be prepared in accordance with and comply with the instructions contained in Section 4 of this RFQ. Each submission will be evaluated against the evaluation factors listed below.

**5.1 BASIS FOR AWARD**

Award shall be made to the responsible offeror(s) whose offer, in conforming to this Request for Quotation, provides an overall best value to the ARC OIG, all technical evaluation factors and price considered. The ARC OIG’s objective is to obtain the highest technical quality considered necessary to meet the ARC OIG’s requirement, with a realistic and reasonable price. Technical and Past Performance, when combined, are more important than Price. Technical is more important than Past Performance. Past Performance is more important than Price, but not as important as Technical.

The ARC OIG reserves the right not to make an award as a result of this competition if, in the opinion of the ARC OIG, none of the offerors can meet the requirement at a fair and reasonable price and/or is not economically feasible.

**5.2 TECHNICAL EVALUATION FACTORS FOR AWARD**

Each offeror’s submission will be evaluated by the ARC OIG in accordance with the criteria listed below. The following evaluation criteria will be used in the evaluation of quotations in determining the best overall value.

The following evaluation criteria will be used in order to determine which offer received is considered to be the best overall value.
Factor 1: Technical

Section 1 - Description of firm quality control system and firm independence policy: Offerors will be evaluated based on the inclusion of the firm’s quality control system and independence policy and whether such system and policy are deemed acceptable.

Section 2 - Peer Review Report: Proposals will be evaluated based on the current peer review rating and information within the accompanying letter of comment. A quote will be deemed unacceptable for further evaluation if an offeror:

1. Fails to submit a current peer review report.
2. Submits a current report with a peer review rating of “fail”
3. Fails to submit any letter of comment associated with the current peer review report.
4. Submits a current peer review report with a rating of “pass with deficiencies” where the associated letter of comments is considered “more than minimal”.

Section 3 – Technical Approach: Offerors will be evaluated on their ability to demonstrate a logical and feasible method for completing the tasks described in the SOW in a virtual environment. Simple statements of compliance (i.e. “understood”, “will comply”) without a detailed description of how it will be achieved will not be considered sufficient evidence that the offeror understands or can technically meet the requirements. In addition, quotes will be evaluated lower if they are not clear, concise, and free of grammatical errors.

Section 4 – Resumes: Offerors will be evaluated based on the degree to which the key personnel proposed meet the criteria specified in the RFQ.

The following definitions will apply to the evaluation of proposals.

*Strength* – A Quotation attribute that increases the likelihood of successful Task Order performance, or provides an approach directly related to the requirement that exceeds the minimum expectation.

*Weakness* – means a flaw in the quotation that increases the risk of unsuccessful Task Order performance.

*Deficiency* – is a material failure of a quotation to meet an ARC OIG requirement or a combination of significant weaknesses in a quotation that increases the risk of unsuccessful Order performance to an unacceptable level.”
### Technical Approach Rating and Definitions

<table>
<thead>
<tr>
<th>Adjectival Rating</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>Quotation meets requirements and indicates an exceptional approach and understanding of the requirements. Minimal weaknesses identified.</td>
</tr>
<tr>
<td>Good</td>
<td>Quotation meets requirements and indicates a through approach and understanding of the requirements. Proposal contains strengths which outweigh any weaknesses.</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Quotation meets requirement and indicates an adequate approach and understanding of the requirements. Strengths and weaknesses are offsetting or will have little or no impact on contract performance.</td>
</tr>
<tr>
<td>Marginal</td>
<td>Quotation does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements. The proposal has one or more weaknesses that are not offset by strengths.</td>
</tr>
<tr>
<td>Unacceptable</td>
<td>Quotation does not meet the requirements and contains one or more deficiencies.</td>
</tr>
</tbody>
</table>

### Factor 2: Past Performance

The past performance evaluation will be based on both the relevancy of recent efforts and how well a contractor performed on the contract. Relevancy refers to work that is comparable in size, scope, complexity, and similar conditions. Recent refers to contracts that are on-going or have been completed within three years from the closing date of this RFQ. Past performance will be evaluated to determine the degree to which the offeror’s performance was positive in terms of technical effectiveness, timeliness, and management effectiveness. References may be contacted and asked to provide feedback on their experiences. The ARC OIG may use a variety of information sources in addition to past performance material provided by the contractor, which may include, but are not limited to, technical reports, publicly available information, past performance databases, and information from past or present customers of the offeror. Vendors without a record of recent or relevant past performance will not be evaluated favorably or unfavorably on past performance and will be rated neutral.
### Past Performance Rating and Definitions

<table>
<thead>
<tr>
<th>Adjectival Rating</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>Based on the Vendor’s recent/relevant performance record, the ARC OIG has a very high expectation that the Vendor will successfully perform the required effort.</td>
</tr>
<tr>
<td>Good</td>
<td>Based on the Vendor’s recent/relevant performance record, the ARC OIG has a high expectation that the Vendor will successfully perform the required effort.</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Based on the Vendor’s recent/relevant performance record, the ARC OIG has an expectation that the Vendor can perform the required effort.</td>
</tr>
<tr>
<td>Marginal</td>
<td>Based on the Vendor’s recent/relevant performance record, the ARC OIG has an expectation that the Vendor may not successfully perform the required effort.</td>
</tr>
<tr>
<td>Unacceptable</td>
<td>The ARC OIG has no expectation that the Vendor will successfully perform the required work.</td>
</tr>
<tr>
<td>Neutral</td>
<td>No recent/relevant performance record is available,</td>
</tr>
</tbody>
</table>

### Factor 3: Price

The Offeror is expected to quote a fair and reasonable price to fully meet this requirement. Price will be evaluated to determine if it is reasonable for the work to be performed, reflects a clear understanding of the requirements, and is consistent with the objective of the Statement of Work. The offerors total price will be evaluated, including the optional task, adding the base and four option periods to create a single value for evaluation.

< End of Solicitation>