



REQUEST FOR PROPOSALS TITLE PAGE

Include This Page as the First Page in Your Proposal Response

City of Lynchburg, Virginia Procurement Division

Proposal Title: Financial and Compliance Auditing Services

This is the City of Lynchburg's Request for Proposals (RFP) No. **14-893**, issued February 3, 2014. Direct inquires for information should be directed to Lisa Moss: e-mail: lisa.moss@lynchburgva.gov; Phone: 434-455-4228; Fax: 434-845-0711. All requests for clarification of or questions regarding this RFP must be made in writing and received by 2:00 p.m. February 26, 2014. All responses to this solicitation shall be in strict accordance with the requirements set forth in this RFP document and the ensuing contract documents.

Sealed proposals will be publicly accepted prior to **4:00 p.m., March 6, 2014**; however, only the names of firms responding will be available for announcement. Proposals received after the stated due date and time shall not be considered. Submit proposals in a sealed, opaque envelope, and put the RFP number, title, due date and time on the lower left front. Offerors are responsible for having their proposal stamped by Procurement Division staff before the deadline indicated above and acknowledge all addenda so issued in the space provided below. Any alteration or changes to this RFP will be made only by written addendum issued by the Procurement Division, and all Offerors are responsible for obtaining issued addenda from the City's Procurement website: <http://www.lynchburgva.gov/current-solicitations>

Acknowledge receipt of addenda here: No. _____ Date: _____ No. . Date: _____

Submit Proposals: BY MAIL, GROUND DELIVERY, OR HAND DELIVER TO:

Procurement Division
Third Floor City Hall
900 Church Street
Lynchburg, Virginia 24504

Information the Offeror deems Proprietary is included in the proposal response in section(s): _____

See Paragraph B. on page 2 for guidelines on submitting proprietary information.

In compliance with this Request for Proposals and all the conditions imposed therein, the undersigned offers and agrees to furnish the services in accordance with the attached proposal or as mutually agreed by subsequent negotiations. By my signature below, I certify that I am authorized to bind the Offeror in any and all negotiations and/or contractual matters relating to this Request for Proposals. Sign in ink and type or print requested information.

Full Legal Name of Offeror: _____

Fed ID OR SOC. SEC. NO.: _____ Date: _____

Address: _____ Phone: () _____

_____ Fax: () _____

Signature: _____

Typed or Printed Name, Title

I. SUBMISSION OF PROPOSALS

- A. An original, so marked, and Five (5) copies, so marked, for a total of six (6) copies of the Proposal document are required. In addition, one (1) copy of the Proposal in an electronic format, CD in Microsoft Word format or PDF file must accompany the Proposal. The City will not assume responsibility for reproduction where an insufficient number of copies have been supplied. In any such case, the City will notify the Offeror of the deficiency and request that the appropriate number of copies be delivered within 24 hours. Failure to comply with this or other requirements of this RFP shall be grounds for the City to reject such Proposals. Telegraphic or facsimile submission of Proposals will not be considered. Nothing herein is intended to exclude any responsible bank or in any way restrain or restrict competition. All responsible Offerors are encouraged to submit Proposals. The content of the RFP and the successful Offeror's Proposal will become an integral part of the Contract, but may be modified by provision of the Contract. Offerors must be amenable to inclusion in a Contract any information, exclusive of that which is determined to be proprietary, provided either in response to this RFP or subsequently discussed and agreed upon during the selection/negotiation process. The information received will be considered contractual in nature, and will be used in validation and evaluation of Proposals, and in subsequent actions related to Contract execution and performance of responsibilities.
- B. **Submission of Proprietary Information:** Trade secrets or proprietary information submitted by an Offeror in connection with the submittal shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, the Offeror must invoke the protection of this Section prior to or upon submission of the data or the materials, and must identify the data or the materials to be protected and state the reason why protection is necessary (Section 2.2-4342 of the Code of Virginia). Offerors shall submit, in a separate section of the Proposal, any information that is considered proprietary and copyrighted material, and clearly identify the information as proprietary and/or copyrighted information. Offerors may not declare the entire Proposal proprietary nor may the Offeror declare proposed pricing as proprietary. References may be made within the body of the Proposal to proprietary information; however, all information contained within the body of the Proposal and not in the separate section labeled proprietary shall be considered public information.
- C. Proposals having any erasures or corrections must be initialed in ink by the Offeror.
- D. The City reserves the right to accept or reject any or all Proposals, to waive informalities, and to reissue any RFP and to award a Contract in the City's best interest. The City reserves the right to contract with firms not party to the resultant Contract if determined to be in the City's best interest.
- E. By submitting a Proposal response, the Offeror agrees that the **Proposal response will not be withdrawn for a period of one hundred twenty (120) days** following the due date for Proposal responses.
- F. By submitting a Proposal response, the Offeror certifies not to have conspired or agreed to intentionally alter or otherwise manipulate the Proposal response for the purpose of allocating purchases or sales to or among persons, raising or otherwise fixing the prices of the goods or services, or excluding other persons from conducting business with the City.
- G. By submitting a Proposal response, the Offeror certifies the Proposal is made without collusion or fraud and the Offeror has not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with the Proposal; and, the Offeror has not conferred with any public employee having official responsibility for this procurement transaction, any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised.
- H. The City will not be responsible for any expense incurred by any Offeror in preparing and submitting a Proposal response. All Proposals submitted will become the property of the City.
- I. The City does not discriminate against faith-based organizations.
- J. **COOPERATIVE PROCUREMENT:** This procurement is being conducted by the City of Lynchburg in accordance with the provisions of 2.2-4304 CODE OF VIRGINIA. Except for contracts for architectural and engineering services, if agreed to by the contractor, other public bodies may utilize this contract. The Contractor shall deal directly with any public body it authorizes to use the contract. The City, its officials and staff are not responsible for placement of orders, invoicing, payments, contractual disputes, or any other transactions between the Contractor and any other public bodies, and in no event shall the City, its officials or staff be responsible for any costs, damages or injury resulting to any party from use of a City Contract. The City assumes no responsibility for any notification of the availability of the contract for use by other public bodies, but the Contractor may conduct such notification.

- K. It is the policy of the City of Lynchburg to maximize participation by minority and women owned business enterprises in all aspects of City contracting opportunities.
- L. OFFEROR PERFORMANCE: The City reserves the right not to accept any proposals or award any contracts to any person, firm, or corporation that is in arrears, default, or has failed to perform faithfully upon any debt, contract, or obligation with the City of Lynchburg, the Commonwealth of Virginia or any governmental entity.

In the event that the City is presented with a legitimate claim, the City reserves the right to withhold payments to the Contractor for services performed for the city and direct the payments to defray the claim.

The Offeror, if requested, must present within a reasonable time as determined by the Procurement Administrator, evidence satisfactory to the City of its ability to successfully perform on any Contract awarded pursuant to this RFP, and possession of necessary facilities, pecuniary resources, and adequate insurance to comply with the terms of this RFP and any contract awarded pursuant to the provisions of this RFP.

II. PURPOSE

The purpose of this RFP is to solicit proposals from qualified Certified Public Accounting Firms to provide the City and the Schools financial and compliance auditing services (audit) as described in this RFP or as may be negotiated and included in a Contract.

III. GENERAL

The City is an independent city chartered by the Virginia General Assembly. The City provides general governmental services including police, fire and emergency service, human services (social services, juvenile services, juvenile detention services), parks and recreation, library and museums, maintenance of streets and roadways, water, sewer, refuse collection, and a municipally owned airport. More detailed information about the City and its finances can be found in the FY 2013 Comprehensive Annual Financial Report and the FY 2014 Adopted Budget. This information is available on the City's website www.lynchburgva.gov.

IV FINANCIAL SYSTEMS INFORMATION

- A. The City of Lynchburg's financial systems are New World Systems', Inc. integrated software applications including the following modules: Government Reporting, Payroll, Procurement, Accounts Payable, Journal Processing, Position Control, Annual Budget Processing, Project Grant Accounting, Revenue Accounting, Miscellaneous Accounts Receivable (Misc. A/R), Fixed Assets, Parking Tickets, Utility Billing (Water/Sewer/Stormwater), and Water/Sewer Utilities Inventory. The City maintains a current status for installation of all release upgrades to the New World Systems' applications. The most recent 8.02 upgrade was installed April 2013.

Business Licenses Assessments are made by the Commissioner for the Revenue's (COR) office using the CRW TrakIt application. The receivables are maintained in the NWS Misc. A/R system. The COR office uses the PCI Revenue Billing System to assess and maintain the receivables for Personal Property Taxes.

The Fire Department uses EMT Visual Fire Info to record ambulance service calls. The billing of these calls is handled by a third party, Diversified Ambulance Billing who uses software from Amazon, Inc. Uncollected balances for ambulance services that are greater than 120 days old are transferred to and managed using NWS Misc. A/R System.

The Assessor's Office maintains the Manatron, Inc., PROVAL software application for Real Property Assessments. Billing and accounts receivable for property taxes are maintained using BARS, an application written and maintained by the City of Lynchburg.

The Public Works department and Water Resources maintains Lucity (formerly gbaMaster Series), a work and asset management system for tracking work orders and costs for internal reporting and timesheet interfaces, as well as reporting for the Virginia Department of Transportation highway maintenance funds.

The Human Services Department maintains an in-house programmed Welfare Payments system for Public Assistance and Comprehensive Services Act disbursements. Additionally, the Human Services Department

maintains Harmony software from Harmony Information Systems, Inc., for certain Social Services Programs., such as Child Care and Foster Care Disbursements.

The Fleet Services Operation maintains a FASTER software application by CCG Systems, Inc., for maintenance and repair billings; and, a Fuel Master software application by SYN-TECH, Inc., for fuel billings.

The City utilizes Source4 Integrated Business software to house image and signature logic to produce the City's checks.

- B. The Schools' data processing system is Comprehensive Integrated Management for Schools (CIMS), a product of Weidenhammer Systems Corporation (WSC), which runs on an IBM iSeries mainframe. Modules utilized by the Schools are: Payroll, Accounts Payable, General Ledger, Journal Entries, and Fixed Assets. These modules are used for the administration system and the School Nutrition Program.

IV. MINIMUM QUALIFICATIONS AND ABILITIES

To be considered for selection, the Offeror must possess the following minimum qualifications and abilities:

- A. Be a member in good standing with the American Institute of Certified Public Accountants (AICPA), and be independent as that term is defined in the AICPA's Code of Professional Conduct;
- B. Be capable of providing all required financial and compliance auditing services;
- C. Have experience providing financial and compliance auditing services for similarly sized organizations;
- D. Meet requirements necessary to perform Single Audit compliance services;
- E. Must be licensed by the Commonwealth of Virginia to perform audits;
- F. Must demonstrate the ability to provide adequate supervision on a day-to-day basis to assure leadership to staff assigned to the audit;
- G. Retain and make available all working papers and reports at the Auditor's expense, in compliance with the Code of Virginia, and, as needed, by the local, state, and federal governments (unless the firm is notified in writing by the City of Lynchburg of the need to extend the retention period); and,
- H. Must affirm that individuals who will be responsible for planning, directing, and reporting on the audit and who will be spending a substantial portion of the hours expended for the audit shall complete on an annual basis, continuing professional education programs in governmental accounting, auditing, financial reporting, and related subjects.

V. SCOPE OF SERVICES:

All Proposals must either meet or exceed the requirements contained herein.

The City is seeking a qualified Offeror to provide the following services:

- A. The annual audit of all Funds of the City of Lynchburg, Lynchburg City Schools, and the Laurel Regional Program which is an activity of the Schools. See the List of The City's and Schools' Funds (**Appendix B**).
- B. The examination of the City's and the Schools' financial statements, the issuance of the Independent Auditor's Report, and any supplemental information in accordance with:
 - 1. Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), American Institute of Certified Public Accountants, and the Government Finance Officers Association (GFOA);
 - 2. U.S. Office of Management and Budget – OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations;
 - 3. U.S. Office of Management and Budget – OMB Compliance Supplement for Single Audits of State and Local Governments;
 - 4. Generally Accepted Auditing Standards (GAAS) issued by the Comptroller General of the United States;
 - 5. Auditor of Public Accounts of the Commonwealth of Virginia (APA) - Specifications for Audit of Counties, Cities and Towns and the Specifications for Audits of Authorities, Boards and Commissions

including any revisions effective during the audit period;

6. Requirements of the Auditor of Public Accounts of the Commonwealth of Virginia under the Virginia Uniform Financial Reporting Manual for Virginia Counties and Municipalities;
 7. Urban Street Maintenance Audit Requirements of the Virginia Department of Highways and Transportation (VDOT); and
 8. Any other applicable standards.
- C. Preparation of the Schools portion of the Comprehensive Annual Financial Report (CAFR). The City will incorporate the School information in the CAFR.
 - D. Completion of the PPC and GFOA checklists.
 - E. The Auditor will make a presentation of the CAFR, Management Letter and Audit Committee Letter to City Council and the Lynchburg School Board.
 - F. The Auditor will review the Comparative Report transmittal data Forms prepared by City staff to verify compliance with the Uniform Financial Reporting Manual from APA Specifications.
 - G. Preparation of the CAFR for the Laurel Regional Program.
 - H. The Auditor will meet with City's and Schools' Management to discuss the scope of the audit and any problem areas identified in previous audits.
 - I. The Auditor will discuss problems that City's and Schools' Officials feel need special attention to ensure that the Auditor is apprised of all matters to be included in the scope of the audit.
 - J. The Auditor will format the CAFR and provide a clerical review of the CAFR and present a printer ready CAFR to the City.
 - K. The City/Schools and the Auditor will develop and approve a mutually agreeable detailed Audit Plan and Audit Calendar. Along with specific deliverables for the Auditor, the Plan will incorporate the City's and Schools' Schedules of Prepared by Client Items (Audit Schedule Listing) which detail their tasks and deliverables by due dates as delineated in **Appendices C & D**. The Plan will establish a timeline for the audit which will ensure adequate lead time for the City's, Schools' and Auditor's staff to respond to requests for data, information, prepare schedules and perform all responsibilities in a timely manner, etc.
 - L. Prepare the Management Representation Letter for the City and Schools.
 - M. If the Auditor determines that a material weakness or significant deficiency exists which would affect an unmodified opinion, the Auditor will discuss any such findings with the Assistant Director of Financial Services so that the problems may be resolved prior to completion of the audit.
 - N. Prepare and issue separate draft Management Letters for the City and the Schools in October containing recommendations to improve or correct deficiencies in internal controls and operating procedures noted during the conduct of the audit.
 - O. Prepare a draft of the Schedule of Findings and Questioned Costs for the CAFR and Auditor Opinions in October.
 - P. Provide advice and assistance to support the City in maintaining a Certificate of Achievement for Excellence in Financial Reporting from the GFOA.
 - Q. Furnish such necessary information and an opinion on the audited financial statements for the City's debt offerings. The City only plans to issue general obligation debt as needed for capital projects. When deemed advisable, the City obtains long-term capital financing from the Virginia Revolving Loan Program and the Virginia Public School Authority.
 - R. The Auditor, upon receipt of a written request from the City and/or Schools, may perform such additional auditing services as required. This may include a review of the efficiency and economy of operations,

systems of internal control, operating and management procedures and effectiveness in achieving program results. The Auditor will provide these additional auditing services at a mutually agreeable price between the parties.

Throughout the term of the Contract, additional work may be required for special projects, such as financial consulting advice, tax interpretations, and information on changes in financial reporting and accounting standards and pronouncements.

The amount of the maximum payment for such additional work as delineated above shall not exceed \$30,000 and will be separately negotiated by the City's Director of Financial Services or by the Schools' Chief Financial Officer. The parties hereby agree that the Contract does not limit the City's right to independently contract with another independent Certified Public Accountant Firm (CPA Firm) to perform other accounting services.

IX. CITY FURNISHED ITEMS

- A. The City will furnish those items delineated in The Schedule of Prepared by Client Items (Audit Schedule listing) (**Appendix C**).
- B. City staff will provide such additional schedules and/or information as may be requested by the Auditor within a timeframe mutually agreeable by the Auditor and the City's Assistant Director of Financial Services.
- C. The City's balanced financial records will be on a full accrual and modified accrual basis, all subsidiary ledgers will be reconciled to control accounts, and all bank accounts for the month will be reconciled by August 15th immediately following the June 30th fiscal year end.
- D. There will be reasonable working space provided for the Auditor. Parking permits for parking in the City parking decks will be provided. Access to an Internet connection will be provided.
- E. The City will provide copies of audited financial reports for the Greater Lynchburg Transit Company, Inc. and the Business Development Centre, Inc. for inclusion as discretely presented component units in the CAFR.

X. SCHOOLS FURNISHED ITEMS

- A. The Schools will furnish those items delineated in The Schedule of Prepared by Client Items (**Appendix D**).
- B. Schools' personnel will provide such additional schedules and/or information as may be requested by the Auditor within a timeframe mutually agreeable to the Auditor and the Schools' Chief Financial Officer.
- C. The Schools' balanced financial records will be on a modified-accrual basis, all subsidiary ledgers will be reconciled to control accounts, and all bank accounts for the month will be reconciled by August 31st immediately following the June 30th fiscal year end.
- D. There will be reasonable working space provided for the Auditor. Parking permits for parking in the City parking decks will be provided. Access to an Internet connection will be provided.

VI. PROPOSED SCHEDULE OF IMPLEMENTATION

<u>Date</u>	<u>Scheduled Item</u>
February 3, 2014	Issue Request for Proposals
February 26, 2014	Last day to submit questions to procurement
March 6, 2014	Proposals Due Prior to 4:00 p.m.
1- 2 Weeks	City completes review of proposals and generates shortlist
March	City interviews selected firms
TBD	City begins contract negotiations, obtains administrative approvals, Contract Documents assimilated

IV. PROPOSAL PREPARATION

The proposal response must address the items included in the Scope of Services and the Criteria for Proposal Evaluation. Proposals should be prepared simply, providing straightforward and concise responses to requests for information and descriptions of qualifications and capabilities. Each copy of the proposal should be bound with all documentation in a single volume where practical, with the exception of the Non-Binding Annual Estimate of Costs for Financial and Compliance Auditing Services (Appendix A). Each Offeror responding to the RFP must submit with its Proposal, the Non-Binding Annual Estimate of Cost Form in a separately sealed envelope, marked as "Cost Form". Failure to do so will result in a lowered evaluation. Incomplete Proposals may be determined to be non-responsive.

Offerors should organize the Proposals using the format described below and in the following order:

- A. Title page
- B. Table of Contents
- C. Qualifications:
 - Brief history of the Certified Public Accounting Firm (CPA Firm), including years in business, size of the firm, and a copy of the most recent peer review.
 - Primary contact and a list of the personnel to be assigned to the audit, including a description of their professional education and relevant experience (Include recent professional continuing education)
 - Names, addresses, and telephone numbers of persons who may be contacted for reference.
 - Governmental auditing experience should be described in detail, including scope of work, dates and type of reports issued.
 - The name, position and telephone number of contact person authorized to conduct negotiations and authorize final contracts or otherwise bind the firm to a contractual relationship; and
 - A specific listing of services the firm is uniquely qualified to provide.
- D. Project Methodology and Schedule:

Provide a complete description of the proposed methodology for implementation of required financial and compliance auditing services subsequent to a contractual relationship with the City. Include how the Offeror proposes to plan and manage the implementation of the Scope of Services requirements outlined in this RFP.
- E. Description of Services to be Provided.:

Describe the Offeror's understanding and capability to provide all items described in the Scope of Services in the same order as listed in the RFP. Give an overview of normal workload and primary contacts' abilities to respond to the City's and Schools' request for assistance and information on an "as needed" basis. Include the use of information technology to perform the services required.
- F. Cost of Services:

Offeror will provide in a separately sealed envelope a Non-Binding Annual Estimate of Cost for Financial and Compliance Auditing Services (**Appendix A**). Cost estimates will include sufficient itemization of cost components for each fiscal year's financial and compliance auditing services for the City and Schools, cost of preparing the printer ready CAFR, and the cost of reviewing the bond offering documents. (This non-binding estimate is not to be considered a Pricing Proposal referred to in **Section VII B**).
- G. Subcontracting

State if any services are to be provided through a subcontractor or a third party. The subcontractor should be identified and include the qualifications and a list of key personnel in the Proposal.
- H. Other Supporting Data

Provide other information that is relevant to the consideration of the Offeror for the Contract.

V. CRITERIA FOR PROPOSAL EVALUATION

Proposals will be reviewed and evaluated according to the following criteria:

Criteria
Qualifications of the Auditor: Experience gained from recent audits of Virginia local governments, grantee agencies, or applicable entities: reputation earned with prior clients and Virginia APA Office for professionalism, dependability, and cooperative attitude: adequate staff to complete the audits in a timely manner; demonstrated knowledge and understanding of the types of work to be performed, previous experience in similar or related work; demonstrated knowledge of pronouncements/standards affecting local government including examples of assistance provided to clients to implement pronouncements/standards; familiarity with federal, state and local codes, laws and regulations governing the work; and, sufficient revenues from other clients to prevent an independence impairment.
Qualifications of the Audit Team: Relevant education, years of, and type of, governmental and auditing experience of the Auditor’s management personnel; relevant education, years of, and type of, governmental and auditing experience of the personnel assigned to the audit; licensing and other professional qualifications of audit team members; and participation in Virginia governmental accounting and auditing professional organizations, continuing professional education programs related to federal, state and local government accounting, auditing, and financial reporting.
Methodology and Ability to Provide Essential Services: The offeror must demonstrate the ability to deliver all required services on schedule with a commitment to the priority and availability of experienced staff to the City/Schools. This includes using a systematic approach to examining systems and internal controls; effective procedures, including consideration of risk and materiality, to determine the extent of audit testing and review necessary; a practical approach to meeting specific deadlines; and, a realistic estimate of time required to complete the audit.
Technological Capability and Innovation: The proposal and interview clearly demonstrate a proven ability to provide services through an effective and efficient use of information technology related to auditing techniques/procedures/tests, electronic transfer of data and files, email communications, software supporting trial balances, financial statements, audit and journal workpapers, Notes, etc., related to the audit and production of the CAFR.

VI. METHOD OF AWARD

Following evaluation of the written proposals as submitted, selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the Request for Proposal. At the option of the City, Offerors may be required to give an oral presentation to clarify or elaborate on their proposal. Negotiations shall then be conducted with the selected Offerors. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted, the City shall determine which Offeror has made the best proposal and may award the contract to that Offeror. Should the City determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror.

VII. CONTRACT TERM

The initial term of this contract shall be for Three (3) years, from contract signing, upon mutual consent of the parties to the contract with the City’s option to renew the contract annually for up to Two (2) additional One (1) year terms. The Scope of Services and associated costs will be negotiated each fiscal year of the contract period. Notice of intent to renew will be given to the Contractor in writing by the City, no later than 90 days before the expiration date of the current contract.

VIII. GENERAL TERMS AND CONDITIONS

The following terms and conditions shall be incorporated into the negotiated contract. If any Offeror wants to amend or discuss during negotiations any term, the Offeror should set forth any objection, change, or addition in their proposal submission. Otherwise, submission of a proposal by an Offeror will obligate such Offeror to enter into a contract incorporating the terms and conditions of this section.

A. Authorized Representatives

The extent and character of the services to be performed by the Contractor shall be subject to the general control and approval of the authorized representative(s) of the Lynchburg City Council, the City Manager, the Director of Financial Services, the Assistant Director of Financial Services, Superintendent of the Lynchburg City Schools, and the Schools' Chief Financial Officer. The Contractor shall not comply with requests and/or orders issued by other than these authorized representatives acting within their authority for the City.

B. Subcontracting and Assignment of Work

The successful firm shall not subcontract or assign portions of the work, other than those specifically defined in the CONTRACT, without the express written consent of the City. A description of any work the Offeror proposes to subcontract shall be submitted to the City for review and approval along with the name and address of the individual, firm, or corporation that is the proposed subcontracting firm. This submittal shall also include a list of the key personnel that the subcontractor firm will assign to the project. All work performed by any subcontractor firm shall be coordinated by the successful firm and the successful firm will be responsible to the City for all work performed by any subcontracting firm or special consultant.

C. Payment for Services

Payments to the successful firm shall be made within 30 days after receipt of an approved invoice for services provided in the previous month. Backup documentation for each invoice shall be provided in detail satisfactory to the City. The successful firm's records and documentation supporting such invoices shall be made available to the City upon reasonable request. The successful firm agrees to retain all records, documents and support materials relevant to the CONTRACT for a period of five years following final payment.

D. Independent Successful Firm

The successful firm is an independent successful firm and nothing contained in a subsequent CONTRACT shall constitute or designate such firm or any of its agents or employees as employees of the City.

E. Audits

This Contract is subject to audit by federal, state or city personnel or their representatives, at no cost to the City, for a period of five (5) years after the date of expiration or termination of the Contract. Request for audits shall be in writing and the Contractor shall respond with all information requested within ten (10) calendar days of the date of the request. During the five (5) year period that the Contract is subject to audit, the Contractor shall maintain detailed records substantiating all costs and expense billed under this Contract.

F. Termination and Ownership of Documents

The City reserves the right to terminate the contract upon written notice to the Successful firm. In the event of termination pursuant to this paragraph which is not the fault of the Successful firm, the Successful firm shall be paid for all services provided through the date of termination. The contract will terminate immediately upon failure of the City of Lynchburg, City Council to appropriate funds for its continuance.

The Contractor agrees that all information and materials gathered and/or prepared by or for it with the exception of the Auditor's workpapers, under the terms of the Contract, shall be delivered to, become and remain the property of the City upon completion of the work or termination of the Contract. The City shall have the right to use and reproduce the data and reports submitted hereunder, without additional compensation to the Contractor.

G. Insurance

The selected firm shall be required to maintain in force such insurance, in amounts acceptable to the City, as will protect himself and the City from claims which may arise out of or result from the execution of the work, whether such execution be by himself, his employees, agents, subcontractor firms or by anyone for whose acts any of them may be liable. This coverage should include, at a minimum, Worker's Compensation, General

Liability (including premises/operations, independent successful firms, products and completed operations, contractual liability and personal injury liability) and Professional Liability. All insurance shall be provided by companies authorized to conduct business in the Commonwealth. The selected firm shall furnish the City with an original Certificate of Insurance upon request. The Certificate should name the City as additional insured. The selected firm shall notify the City at least 30 days prior to policy cancellation, non-renewal or reduction of coverage.

I. Advertisement and Promotion

The successful Contractor agrees to submit to the City/Schools all advertising, sales, promotion, and other public matter relating to any service furnished by the Contractor wherein the City's/Schools' name therewith may be inferred or implied. The Contractor further agrees not to publish or use any such advertising, sales promotion, or publicity matter without prior written consent of the City and the Schools.

J. Laws and Regulations

The Successful firm shall abide by all Federal, State and Local laws and regulations governing the provision of the services called for in the contract. The Successful firm shall give notice and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work. Any legal proceedings arising out of or related to this agreement shall be filed by the parties in the City of Lynchburg General District Court or the Lynchburg Circuit Court.

The selected firm shall not during the performance of any resultant contract knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986.

K. Severability

Each paragraph and provision of the resultant contract will be severable from the entire agreement and if any provision is declared invalid, the remaining provisions shall remain in effect.

L. Nondiscrimination

If the resultant contract exceeds \$10,000, during the performance of the contract, the successful firm agrees as follows:

- a. The Successful firm will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Successful firm. The Successful firm agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- b. The Successful firm, in all solicitations or advertisements for employees placed by or on behalf of the Successful firm, will state that such Successful firm is an equal opportunity employer.
- c. 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.
- d. The Successful firm will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontracted firm or vendor.

M. Payments to Successful Firms

In accordance with Virginia Code Section 2.2-4354 the Successful firm agrees that:

1. Should any contractor be employed by the Successful firm for the provision of any goods or services under this Contract, the Successful firm agrees to the following:
 - (a) The Successful firm shall, within seven days after receipt of any payments from the City pursuant to this Contract, either:
 - (1) Pay the subcontractor for the proportionate share of the total payment received from the City attributable to the goods or services provided by the subcontractor; or
 - (2) Notify the City, as applicable, and the subcontractor, in writing, of the intention to withhold all or a part of the subcontractors firm's payment with the reason for nonpayment. Written notice to the City shall be given to: City of Lynchburg, Procurement Administrator, 900 Church Street, Lynchburg, VA 24504.

- (b) The Successful firm shall pay interest to the subcontractors firm, at the rate of one percent per month on all amounts owed to the subcontractors firm that remain unpaid after seven days following receipt of payment from the City for goods or services provided under this Contract, except for amounts withheld under subparagraph (a)(2) above.
 - (c) The Successful firm shall include in each of its subcontracts a provision requiring each subcontractors firm to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractors firm.
 - (d) The Successful firm's obligation to pay an interest charge to a subcontractors firm shall not be an obligation of the City.
 - (e) No contract modification shall be allowed for the purpose of providing reimbursement for these interest charges. No cost reimbursement claim shall include any amount for reimbursement of these interest charges.
2. Invoice processing is to be in strict accordance with the rules and regulations set forth by the applicable Jurisdiction and the *Code of Virginia* Section 2.2-4352, requiring payment of invoices within 30 days of receipt of a proper invoice. No promises or commitments on the part of any employee of the Public Body shall bind the Jurisdiction to any other terms and/or conditions other than those set forth in procedures issued by the Public Body.
- (a) Invoices shall be submitted to the City on a monthly basis. The City shall pay the amount of the invoice within thirty (30) days. However, the City shall have the right to verify information contained on an invoice and extend the time of payment until information is received to correct any errors found therein. The invoices submitted shall include, at a minimum, the following information:
 - (1) Project name, city and state project number;
 - (2) City Project Manager;
 - (3) City assigned Contract Number;
 - (4) Not to exceed amount or lump sum amount;
 - (5) Total payments requested to date;
 - (6) Payments received;
 - (7) Balance due;
 - (8) Invoice number;
 - (9) Period during which services were performed; and
 - (10) Brief description of work covered by invoice.
 - (b) Payments shall not be considered as evidence of satisfactory performance of the work either in whole or in part, nor shall any payment be construed as acceptance by the City of any defective work. The City reserves the right to withhold payment in the event the City believes that the work is unsatisfactory.

N. Contractual Claims

Contractual claims, whether for money or other relief, shall be submitted in writing no later than 60 days after final payment; however, written notice of the Successful firm's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Any notice or claim shall be delivered to the City's Procurement Administrator, Third Floor City Hall, 900 Church Street, Lynchburg Virginia 24504 and shall include a description of the factual basis for the claim and a statement of the amounts claimed or other relief requested. The City's Procurement Administrator shall render a decision on the claim and shall notify the Successful firm within 30 days of receipt of the claim. The Successful firm may appeal the decision of the City's Procurement Administrator by providing written notice to the City Manager, within 15 days of the date of the decision. The City Manager shall render a decision on the claim within 60 days of the date of receipt of the appeal notice and such decision shall be final unless the Successful firm appeals the decision in accordance with the Virginia Public Procurement Act. Invoices for all services or goods provided by the Successful firm shall be delivered to the City no later than 30 days following the conclusion of the work or delivery of the goods.

O. Taxes

The Successful firm shall pay all City, State and Federal taxes required by law enacted at the time proposals are received and resulting from the work or traceable thereto, under whatever name levied. Said taxes shall not be in addition to the contract price as the taxes shall be an obligation of the Successful firm and not of the City and the

City shall be held harmless for same by the Successful firm.

P. Indemnification

To the fullest extent permitted by law, the Successful firm, for itself, heirs, representatives, successors and assigns agrees to save, defend, keep harmless and indemnify the City and all of its officials, agents and employees (collectively, the "City") from and against any and all claims, loss, damage, injury, costs (including court costs and attorney's fees), charges, liability or exposure, however caused, resulting from, arising out of or in any way connected with the Successful firm's performance (or nonperformance) of the agreement terms or its obligations under this agreement.

Q. Contract Assignment

The resultant contract may not be assigned, in whole or part, without the written consent of the City.

R. Royalty and License Fees and Copyright, Trademark and Patent Protection

The Successful firm shall pay all royalty and license fees relating to the items covered by the contract. In the event any third party shall claim that the manufacture, use and sales of these goods offered hereby constitutes an infringement of any copyright, trademark, or patent, the Offeror shall indemnify and hold harmless the City from any cost, expense, damage or loss incurred in any manner by the City on account of such alleged infringement.

S. Responsibility for Property

The Successful firm shall be responsible for damages to property caused by work performed under the CONTRACT. Property damage to surrounding or adjoining areas caused directly or indirectly by actions or omissions of the Successful firm shall be repaired or replaced by the Successful firm, to the satisfaction of the Owner, at the Successful firm's expense.

T. Precedence of Documents

The precedence of documents shall be as follows: the CONTRACT, the Request for Proposals and the Offeror's response to the Request for Proposals.

U. Administrative Appeals Procedure

Any protest to award a contract shall be in writing and shall be delivered so that it is received by the City Manager not later than ten (10) business days after announcement of the award or award, whichever comes first.

V. Drug Free Workplace

In accordance with Sec 2.2-4312 of the Virginia Code, during the performance of this contract, the Offeror agrees to (i) provide a drug-free workplace for the offeror'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 Offeror'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 offeror that such offeror 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 sub-Offeror or vendor.

Successful offeror shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the contract or while on City premises or distribute it to City employees.

Successful Offeror understands that a violation of these prohibitions constitutes a breach of the contract and that the City has the right cancel the contract.

For the purpose of this section, "Drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a Offeror, the employees 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.

W. Liquidated Damages

1. The City and the Contractor hereby acknowledge and agree that timely performance is of the essence with respect to the services outlined in this RFP and the subsequent Contract. In the event the Contractor fails to complete the financial and compliance auditing services within the mutually agreeable time period, the City will incur actual and considerable monetary damage.
 - a. An amount of 1% of the outstanding Contract balance shall be imposed for each day past November 30th, that the APA Uniform Financial Report Transmittal Forms and the CAFR are late to the Auditor of Public Accounts Office.
2. These amounts shall in no event be considered as a penalty or otherwise than as the liquidated and adjusted damages to the City because of the delay. The Contractor and his Surety hereby agree that the stated sum for each such day of delay shall be deducted and retained out of the monies which may become due under the Contract; and, if not so deducted, the Contractor and his Surety shall be liable therefore. The Contractor and his Surety hereby waive any defense as to the validity of any liquidated damages stated herein.

X. Standard of Care

The Contractor shall exercise the same degree of care and diligence in providing the professional services set forth in the Contract as is ordinarily possessed and exercised by members of the same profession, currently practicing, under similar circumstances. The services shall be performed as expeditiously as is consistent with such standards. The Contractor shall be responsible for the professional quality, technical accuracy and the coordination of all tasks and other services furnished pursuant to the Contract. The Contractor shall be liable to the City for damages caused by the Contractor's failure to provide professional services to the degree required.

Y. Acceptance of Auditor's Work

Acceptance and approval of documents by any official, employee or agent of the City shall only constitute acknowledgement of review of said documents and shall not relieve or excuse the Contractor from responsibility for any errors, omissions or conflicts in documents, reports, plans or maps, and no fee or compensation will be paid to the Contractor for the cost of rectifying any work required on account of such errors or omissions.

Z. Conflict of Interests Act

The provisions, requirements, and prohibitions as contained in Sections 2.2-3100, et seq., of the Virginia Code are applicable to this RFP.

AA. Ethics in Public Contracting

The provisions, requirements, and prohibitions as contained in Sections 2.2-4367 through 2.2-4377, of the Virginia Code, pertaining to bidders, offerors, contractors, and subcontractors are applicable to this RFP.

BB. Faith-Based Organizations

The City of Lynchburg and the Lynchburg City Schools do not discriminate against faith-based organizations.

CC. License and Permits

The Successful firm shall secure and pay for all permits, governmental fees and licenses necessary for the proper execution and completion of the work which are legally required prior to and during the work. The City will not charge for any permits required by the City of Lynchburg.

DD. Termination for Convenience

The performance of work under contract may be terminated by the Public Body upon written notice to the Contractor without cause, for any reason in whole or in part; whenever it is determined that such termination is in the Public Body's best interest. In the event of such termination, the rights and obligations of the parties, which by their nature survive termination of services covered by a contract, shall remain in full force and effect after termination. In the event of such termination, the Contractor shall be paid for services rendered and approved up to the date of termination. The Contractor may submit any termination claim within 60 days after receipt of the notice of termination.

EE. Termination for Nonpayment

In the event the Public Body fails to make payment in accordance with applicable standard payment terms, the Contractor may declare the Public Body in default and exercise any right to cure such default. If the Public Body fails to cure such default within 30 days of receiving such written notice, the Contractor may, by giving written notice to the Jurisdiction, terminate the contract and/or the applicable Scope of Work as of the end of such 30-day period on such date as is specified in such notice of termination.

FF. NOTICE OF CURE

A cure letter is used when a contractor has failed to perform or deliver in accordance with the provisions of contract. Such notice provides the Contractor a period of time to correct or “cure” the deficiency and places Contractor on notice as to the consequences for failure to take the required corrective action. Such notice may be given orally or in writing. Notice of Cure informs the Contractor that non-conformance is a breach of contract and if the deficiency is not corrected within a stated number of days, the Public Body will terminate the contract for default and hold the Contractor liable for any excess costs.

Appendix A

City of Lynchburg, Virginia

Financial Services/Procurement Division
 900 Church Street
 Lynchburg, Virginia 24504

NON-BINDING ANNUAL ESTIMATE OF COST FOR FINANCIAL AND COMPLIANCE AUDITING SERVICES

(SUBMIT IN A SEPARATELY SEALED ENVELOPE ALONG WITH THE TECHNICAL PROPOSAL)

THE OFFEROR OF: _____
 Address: _____

Hereby proposes to provide the requested services as defined in the Scope of Services delineated in the City's Request for Proposals.

Cost Component	<u>City Audit Amount</u>	<u>Schools Audit/ Laurel Program Amount</u>	<u>Bond Documents Amount</u>
Year 1:			
CAFR	\$ _____	\$ _____	\$ _____
Laurel CAFR	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Year 2			
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Year 3			
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

Appendix A

City of Lynchburg, Virginia

Financial Services/Procurement Division
 900 Church Street
 Lynchburg, Virginia 24504

NON-BINDING ANNUAL ESTIMATE OF COST FOR FINANCIAL AND COMPLIANCE AUDITING SERVICES (continued)

(SUBMIT IN A SEPARATELY SEALED ENVELOPE ALONG WITH THE TECHNICAL PROPOSAL)

THE OFFEROR OF: _____

Cost Component	City Audit <u>Amount</u>	Schools Audit/ Laurel Program <u>Amount</u>	Bond Documents <u>Amount</u>
Year 4			
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
Year 5			
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

1. Payment Terms _____ net 30 _____ 2%-20 days _____ 1%-20 days
2. Business, Professional, and Occupational Licensing (BPOL) number (if applicable): _____
3. Federal Employer Identification (FEI) number: _____

Person to contact regarding this Technical Proposal: Lisa Moss
 Title: Buyer Phone: (434) 455-4228 Fax: (434) 845-0711
 Name/Title of person authorized to bind the Offeror: _____

Offeror's Signature: _____ Date: _____

Appendix B

City of Lynchburg, Virginia

List of the City's and Schools' Funds

The following are the current funds of the government as reported in the Comprehensive Annual Financial Report:

Governmental Funds

General Fund

The following funds within the City's financial records are combined with the General Fund for financial statement reporting:

City Payroll Agency Fund (accounted for as an Agency Fund on the City's financial records)
Self-Insurance Fund (accounted for as an Internal Service Fund on the City's financial records)
Technology Fund (accounted for as a Special Revenue Fund on the City's financial records)

Special Revenue Funds

City/Federal/State Aid Grant Fund
Community Development Block Grant Fund
Comprehensive Services Act Fund
Forfeited Assets Fund
Home Investment Trust Fund
Lynchburg Expressway Appearance Fund (LEAF)
Lynchburg Business Development Centre Fund
Lynchburg Regional Juvenile Detention Center Fund

(The following special revenue funds are maintained on the Lynchburg City Schools' accounting records.)

School Operating Fund
School Federal Aid Fund
School Cafeteria Fund
Governor's School
Laurel Regional Program
Step with Links Program
Stem Academy

Capital Project Funds

City Capital Projects Fund
School Capital Projects Fund

Proprietary Funds

Enterprise Funds

Water Operating and Water Capital Projects Funds
Sewer Operating, Sewer Capital Projects, and Sewer Virginia Revolving Loan Funds
Stormwater Operating and Stormwater Capital Projects Funds
Regional Airport Fund, Airport Capital Projects Fund, and Airport Passenger Facility Charge Fund

Appendix B
City of Lynchburg, Virginia

List of the City's and Schools' Funds (continued)

Internal Service Funds

Fleet Services Fund

Component Units

Greater Lynchburg Transit Company, Inc.

Business Development Center, Inc.

Fiduciary Funds (all agency funds)

Special Welfare Fund

School Fiscal Agent Fund (eliminated for financial statement reporting)

Account Group

General Long Term Debt

General Fixed Assets

Other

Cash Accountability (not included for financial statement reporting)

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items

<u>Schedule #</u>	<u>Schedule Description</u>
A.1	Intergovernmental contracts or agreements - new and/or amendments for current fiscal year (Includes unusual transactions - significant new long-term agreements and Memorandums of Agreement)
A.2	Any new organizational charts
A.3	List of City Council members, School Board members and major employees for current fiscal year
A.4	Provide new revision to employee handbook related to compensation, benefits, & paid leave
A.5	Certificate of Achievement for Excellence in Financial Reporting summary grading from the previous CAFR Comments from GFOA review and City's response to comments
A.6	End of audit: a. A signed representation letter b. Attorney letter from the City Attorney
A.7	Review & update of all prior year Management letter comments, if any and their current status
A.8	Council minutes (available online)
A.9	Audit committee meeting minutes (<i>The City no longer has an audit committee</i>)
A.10	Published notice file available for auditor review
A.11	Disclosure statement files for auditor review / Statement of Economic Interest
	INTERNAL CONTROL
A.12	Review of internal control checklists and memos and communication of any significant changes
A.13	Provide all significant new policies related to audit areas (accounts receivable, accounts payable, timely review of capital assets and construction in progress, etc.)
A.14	ITEMS ON HAND FOR AUDITORS REVIEW Journal Entry Files Travel/Expense Reimbursement Files
A.15	SSAE16 report for State Street
A.16	SSAE16 report for EMS-MC
A.17	Budget Public Hearing Notice

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	ELECTRONIC FILES
B.1	a. Trial balances/other year end system reports for funds at 6/30/14 on FTP Server and Hard copy of Trial Balances and Budget Amendments system report supporting Exhibit 7 budget amounts b. Budget Amendment report
B.2	a. Property Tax File 1. GL Detail Edit by GL Account (by month-12 months) 2. Detail subsidiary report by tax year 3. Receivable subsidiary report by account number 4. Summary aged receivables by tax year b. Real Estate Tax File 1. Current Year & Delinquent Real Estate Outstanding Balance Summary 2. Current Year Real Estate Outstanding Detail Listing 3. Delinquent Real Estate Outstanding Balance Detail
B.3	Utility Billing and Related Files and Other Accounts Receivable files a. Detail listing of utility billing accounts receivable by customer detailing amounts due for water, sewer, stormwater and related billings by customer. UT0615 and UT0616. Auditors will use this file to select Water, Sewer, and Stormwater accounts receivable confirmation sample. b. Aging report of utility billing for analytic procedures related to aging of receivables. 2 Excel files: 1) UT 3 year view 2) Query of Finals and Aging Report c. Accounts Receivable System - AR0700 Summary and Detail reports d. Utility Billing UT 1120: 1 Text files and hard copy> UT 1120 Aging report ALL billings; UT 1120 Aging Report ANNUAL billings; UT 1120 Aging Report MONTHLY billings e. Detail listing of utility customer security deposits. UT 1420
B.4	Miscellaneous Accounts Receivable
B.5	Journal Entry Listing at 6-30
B.6	<i>Intentionally left blank</i>
B.7	EMS Ambulance listings AR EMS Ambulance Billing - Current a. Aging Detail by Current Payor DOS after 6-1-09 b. Aging Detail by Current Payor DOS before 6-1-09 c. Aging Summary by Current Payor DOS after 6-1-09 d. Aging Summary by Current Payor DOS before 6-1-09 e. AR Delinquent Ambulance>120 days (AS 400 report)
B.8	<i>Intentionally left blank.</i>
B.9	Encumbrance File Detail listing of open purchase orders that ties to GL-P00560

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
B.10	<p>Other Files</p> <p>a. Welfare payment reports from cutoff period files (previously provided) dates through June 30.</p> <p>b. Upon completion of accounts payable reconciliations, provide all AP paid invoice reports, open AP invoice reports, and welfare payments reports used to substantiate the accounts payable balances.</p>
B.11	<p>Provide Highway Maintenance Testing:</p> <p>a. 1) "Work Order Summary Reports" in electronic format</p> <p>b. 2) "VDOT Summary Reports" in electronic format</p>
B.12	<p>Fleet services parts and fuel inventory</p> <p>Inventory Adj. JV</p> <p>Inventory Parts as of 6-30</p> <p>Diesel Price 6-30</p> <p>AS 400 Fuel Inventory for previous year</p> <p>Gas Price 6-30</p> <p>Email parts FY 14</p> <p>Fuel Inventory FY14</p> <p>Fleet Inventory Comparison FY 08 to FY 14</p>
	<p>CONFIRMATIONS</p>
C.1	<p>Cash</p> <p>Wells Fargo (9 accounts)</p>
C.2	<p>Investments</p> <p>a. LGIP</p> <p>b. State Street Bank Global</p> <p>c. PFM Asset Management LLC (1)</p>
C.3	<p>Debt – (Bonds payable, notes payable, capital leases, etc)</p> <p>a. Sun Trust Bank (1)</p> <p>b. Depository Trust Company</p> <p>c. PFM Arbitrage Program</p> <p>d. Virginia Resource Authority</p> <p>e. Bank of New York</p> <p>f. US Bank</p> <p>g. Huntington National Bank</p> <p>h. Carter Bank and Trust</p>
C.4	<p>Customer Accounts Receivable – as requested</p> <p>a. Water/Sewer/Stormwater</p> <p>b. Airport</p> <p>c. EMS Ambulance</p>

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items
List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
C.5	Bluffwalk Receivable
C.6	Detention Home Receivable
C.7	Regional sewer treatment plant confirmations (Bedford, Campbell and Amherst)
C.8	Workers' Comp confirmation – Health Smart
C.9	Lynchburg United Soccer
C.10	Blue Ridge Regional Jail/ Due to-Due from
C.11	LRHA
C.12	Lynchburg IDA
C.13	VRS
C.14	HUD Letter of Credit
C.15	Boomershine Actuaries
	Comprehensive “Debt Book” for all City debt
	These items are part of the Debt Book:
D.1	a. Comprehensive listing of debt amortization schedules for governmental and business type activities by fund and debt issue b. Total detail listing outstanding indebtedness summary for governmental and business activities c. Debt service summary of changes in outstanding principal from refunded/refunding bond issue (if applicable) d. Lease Schedules
D.2	Amortization of bond issue costs, premiums, and loss on retirements for all funds. a. Bond Discounts, Premiums, & Loss on Retire FY 14 General Government Activities b. Bond Discounts, Premiums, & Loss on Retire & Issue Costs FY 14 Enterprise Funds
D.3	Accrued Interest work-papers a. Accrued Interest Payable Airport Fund as of June 30 b. Accrued Interest Payable Detention Home Fund as of June 30 c. Accrued Interest Payable Fleet Fund as of June 30 d. Accrued Interest Payable General Fund as of June 30 e. Accrued Interest Payable School Fund as of June 30 f. Accrued Interest Payable Sewer Fund as of June 30 g. Accrued Interest Payable Water Fund as of June 30 h. Accrued Interest Payable Stormwater Fund as of June 30 i. Accrued Interest Payable Line of Credit Carter Bank Trust
D.4	2013 Debt payments Debt Service Recon GL & Debt Book Capitalized Interest Schedule Capital Asset addition form
D.5	Operating Lessee Schedule
D.6	Operating Lessor Schedule

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	CAPITAL ASSETS
E.1	Capital asset analysis – roll forward of asset cost
E.2	Detail listing of capital asset additions
E.3	a. Water Capital Projects Fund – CWIP Schedule b. Sewer Capital Projects Fund – CWIP Schedule c. Stormwater Capital Projects Fund – CWIP Schedule
E.4	d. Airport Projects Grant Fund – CWIP Schedule e. City Capital Projects Fund – CWIP Schedule f. School Capital Projects Fund – CWIP Schedule
E.5-E.7	<i>Intentionally left blank</i>
E.8	Capital asset analysis – roll forward of accumulated depreciation
E.9	Detail of current year depreciation expense
E.10	Capital asset deletions
E.11	All enterprise funds gain/loss accounts
E.12	Fleet – gain/loss on sale of assets
E.13	Capital Asset status report summary by fund
E.14	General Ledger detail of repairs and maintenance accounts
E.15	Detail of Asset Transfers
E.16	Land vs. Land Improvements
E.17	Capitalized Interest Calculations
E.18	Fully Depreciated Assets by Class and Fund (3 reports)

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	RECONCILIATIONS
	BANKS / CASH
F.1	Bank reconciliations/Bank statements/Outstanding Check listings
	a. School Deposit
	b. School Disbursement
	c. School Payroll
	d. City Payroll
	e. Ambulance
	f. Concentration Account
	g. Disbursement Account
	h. Special Welfare
F.2	Schedule of restricted cash for FY 2014 and allocated by fund
F.3	Cash Lead Schedule
F.4	Schedule of Interbank/Account transfers for five banking days prior to and following 6/30/2014
F.5	Investment Reconciliation
	a. State Street reconciliation
	b. LGIP
	ACCOUNTS RECEIVABLE
F.6	<i>Intentionally left blank.</i>
F.7	Personal property taxes reconciliation - Annual Analysis
	Monthly reconciliations:
	a. Current personal property taxes
	b. Delinquent personal property taxes
	c. Motor Vehicle License Fees
	d. Delinquent Motor Vehicle License Fee
	e. Customer Refunds Payable
F.8	<i>Intentionally left blank</i>
F.9	a. Public service receivable and revenue
	b. Delinquent Public Service
F.10	School Fiscal Agent Reconciliation
F.11	a. Real Estate Accounts Receivable Current
	b. Real Estate Accounts Receivable Delinquent
	c. Files of exonerations and abatements used for auditor sample selection

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
F.12	a. EMS AR Recon and Deferred Revenue b. EMS Report Estimated Collections in 6-30-14 Accounts Receivable c. EMS Ambulance Allowance JE d. Ambulance Revenue Accrual e. Ambulance 120 Day Allowance Analysis with support
F.13	Sewer accounts receivable reconciliation
F.13a	Stormwater accounts receivable reconciliation
F.14	Water accounts receivable reconciliation
F.15	Payroll Agency Fund
F.16	Aging Report for Meals, Lodging, Amusement Tax with accounts deemed uncollectible noted
F.17	Note Receivable Lynchburg United Soccer
F.18	Miscellaneous Accounts Receivable summary reconciliation
F.19	a. Meals Accounts Receivable b. Allowance Meals Tax Receivable
F.20	a. Lodging Accounts Receivable b. Allowance Lodging Accounts Receivable
F.21	a. Amusement Accounts Receivable b. Allowance Amusement Accounts Receivable
F.22	Market Rent
F.23	DUI Fees
F.24	Probation Fees
OTHER	
F.25	Reconciliation of CARS report to general ledger – Revenue from the Commonwealth and Federal Government
F.26	Reconciliation of Individual Account Difference – Cash basis totals vs. State disbursement totals
F.27	Utilities Inventory Reconciliation
F.28	Stop/Loss receivable

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	REVENUE ANALYSIS
G.1	a. Detail listing of 45 day accrual of revenue report showing receipts from July 1 through August 15 b. Detail listing of revenue showing receipts from August 16 to end of field work. c. EMS Ambulance – Detail listing of subsequent receipts through end of field work.
G.2	Revenue Accrual Analysis, Revenue Accrual Journal and Subsequent Collection Documentation A. Revenue Accrual Journal 1. General Fund 2. City/Fed/State Aid Fund 3. CDBG 4. Forfeited Assets, if any 5. CSA 6. HOME 7. Detention Home 8. Technology Fund 9. City Capital Projects 10. Water 11. Sewer 12. Stormwater 13. Airport 14. Fleet B. Revenue Accrual Analysis – must provide Subsequent Collection Documentation 1. General Fund 2. City/Fed/State Aid Fund 3. CDBG 4. Forfeited Assets, if any 5. CSA 6. HOME 7. Detention Home 8. Technology Fund 9. City Capital Projects 10. Airport 11. Fleet, if any
	REAL ESTATE
G.3	Deferred Revenue reconciliation Real Estate
G.4	Revenue analysis – real estate tax
G.5	Adjustments to Real Estate Tax Levy
G.6	Justification for calculation of allowance of uncollectible taxes – Real property allowance

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	PERSONAL PROPERTY
G.8	a. Deferred Revenue Motor Vehicle License Fee b. Deferred Revenue Personal Property Taxes – Recon and Analysis a. Deferred Revenue Prepay Overpay
G.9	a. Revenue analysis – Personal Property tax – Current b. Revenue analysis – Personal Property tax - Delinquent
G.10	Allowance for uncollectible personal property local
	WATER RESOURCES
G.11	Water/Sewer/Stormwater Revenue Accrual and Allowance Calculation a. Water Revenue Accrual Calculation and Accrual JE b. Sewer Revenue Accrual Calculation and Accrual JE c. Stormwater Revenue Accrual Calculation and Accrual JE d. Water AR Allow, Calculation and Allow. for doubtful Accounts JE e. Sewer AR Allow, Calculation and Allow. for doubtful Accounts JE f. Stormwater AR Allow, Calculation and Allow. for doubtful Accounts JE g. Water AR Reconciliation h. Sewer AR Reconciliation i. Stormwater AR Reconciliation
G.12	Miscellaneous AR & Allowance Water/Sewer/WWTP/Stormwater a. Misc. Water AR Allow, Calculation and Allow for Doubtful Accts. JE b. Misc. Sewer AR Allow, Calculation and Allow for Doubtful Accts. JE c. Misc. WWTP AR Allow, Calculation and Allow for Doubtful Accts. JE d. Misc. Stormwater AR Allow, Calculation and Allow for Doubtful Accts. JE e. Misc. Water AR Reconciliation f. Misc. Sewer AR Reconciliation g. Misc. WWTP AR Reconciliation h. Misc. Stormwater AR Reconciliation
G.13	Analysis of EMS revenue – Roll forward schedule
G.14	Tax Reconciliation Worksheet
	ACCOUNTS PAYABLE
H.1	Reconciliation of accounts payable by fund
H.2	a. Detail for subsequent disbursements made 7/1/14 through the end of field work. b. Open Invoice Report 6-30
H.3	Accrued payroll journal
H.4	a. Support for VRS payable b. VRS monthly contribution files c. VRS contribution rate d. VRS Valuation Report

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
H.5	Compensated Absences Worksheet and Journal a. Compensated Absences at 6-30 Detail b. Compensated Absences at 6-30 by person c. Benefit hours by Cost Center at 6-30
H.6	Health insurance claims payable adjustment
H.7	a. Health Benefits - Retiree b. Health Benefits – Active
H.8	PCHP Lag Report
H.9	a. Outstanding workers’ compensation claims payable schedule b. Wells Fargo Disability Management Report
H.10	FY 2014 reserve summary for general liability, if needed
H.11	Listing of beginning and ending check numbers for accounts payable and payroll as well as beginning and ending direct deposit identification numbers
H.12	<i>intentionally left blank</i>
H.13	Accrued Payroll Liabilities Reconciliation
H.14	a. OPEB analysis b. OPEB Journal entry c. OPEB Actuary Report
H.15 payable	Monthly detail report for the land disturbing bonds recorded in the General Fund restricted cash and deposit account codes.
H.16	Blue Ridge Regional Jail Authority – settle up a. Board ADP History b. Board Financial Report c. Board Revenue Report d. Financial Statement Narrative e. Locality LIDS audit
H.17	a. Open Purchase Order Report for Construction and Professional Services b. Closed Purchase Order Report for Construction and Professional Services from 7-1-13 to current
	SOCIAL SERVICES
J.1	a. Detention Home registered bills (support for accounts receivable) for the month of June 2014 b. Detention Home – Per Diem as of June 30 c. Detention Home – Locality Childcare days d. Detention Home – Population report e. Detention Home – Board Minutes

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
J.2	Comprehensive Services Act – Pool fund testing ledgers for Auditors to select samples from
J.3	Comprehensive Services Act – Pool reimbursement and eligible individual files
J.4	Special welfare ledgers
J.5	Human Services LASER report reconciliations for the year. Auditor selects a few for review
J.6	EBT card files available for Auditor review
	PASSENGER FACILITY CHARGE
K.1	Provide all new RODs
K.2	Provide all PFC program status reports
K.3	Provide most current PFC notifications of approval
K.4	Schedule of PFC collections, interest earned and expenditures
K.5	Schedule of PFC expenditures
K.6	Have available all PFC quarterly application reports
K.7	Passengers vs. PFC revenue analysis report
	HIGHWAY MAINTENANCE
L.1	Highway Maintenance indirect cost rates
L.2	Highway Maintenance equipment rates
L.3	Eligible street listing
L.4	Weldon Cooper Survey (old U-3 Report)
L.5	Weldon Cooper Survey (old U-3 reconciliation support)
	VARIANCE ANALYSIS
	Material Variances by Fund
M.1	General Fund a. Self Insurance Fund b. City Payroll Agency Fund

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
M.2	City Fed/State/Aid Fund
M.3	CDBG Fund
M.4	Lynchburg Business Development Centre Fund
M.5	Forfeited Assets Fund
M.6	Comprehensive Services Act Fund
M.7	LEAF fund
M.8	HOME fund
M.9	Detention Home Fund
M.10	Technology Fund
M.11	City Capital Project Fund
M.12	School Capital Project Fund
M.13	Water Fund
M.14	Sewer Fund
M.15	Stormwater Fund
M.16	Airport Fund
M.17	Fleet Internal Service Fund
M.18	Special Welfare Fund
	GASB 54
N.	GASB 54 checklist and Fund Balance Classification Entry
N.1	General Fund
N.2	City/Fed/State Aid Fund
N.3	CDBG Fund
N.4	Lynchburg Business Development Center Fund
N.5	Forfeited Assets Fund
N.6	Comprehensive Services Act Fund
N.7	LEAF Fund
N.8	HOME Fund
N.9	Detention Home Fund

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
N.10	Technology Fund
N.11	City Capital Project Fund
N.12	School Capital Project Fund
N.13	Self Insurance Fund
CAFR PREPARATION	
City Audit Adjustments	
O.1	<ul style="list-style-type: none"> a. Accounts Payable and Construction Accrual, if any b. Adjust Health Insurance Claims Payable c. Adjust VRS & Life Payable, if needed d. Stop Loss Receivable, if any e. Adjust Dental Claims Payable f. Detention True up entry g. Additional Communication Sales and Use Tax h. Line of Duty i. Assigned Fund Balance entries j. Public Assistance Revenue k. Public Assistance Expense l. Schools Return of Local funding m. GLTC – Income (loss) entry n. Blue Ridge Regional Jail true up o. Regional Solid Waste Authority true up p. Adjustment(s) to Fund Balance Classification entries q. CWIP adjustment if Construction Accrual made
P.1	<p>NETTING ENTRIES (to be completed after all adjusting entries are done)</p> <ul style="list-style-type: none"> a. 3001 - Net Lida Deferred revenue and due from b. 5001 - Clear General Fund Self Insurance Payment c. 2001 - Net Bluff Walk d. 1001 - General Fund Net Due to and From e. 4017 - Net Lida Deferred revenue and due from f. All Enterprise Funds - eliminate transfers between operating and capital g. Proprietary Funds - Net Investment in capital assets h. Reclass PFC cash/invest to Restricted Net Assets i. Allocate Fleet Vehicle Capital Charges in General Fund – functional line items
P.2	Net asset allocation for investment in capital assets for government activities
P.3	<p>CONVERSION ENTRIES</p> <ul style="list-style-type: none"> a. Debt conversion entries and all supporting documentation b. Fleet internal service fund conversion entries and all supporting documentation c. Capital asset conversion entries and all supporting documentation

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	<ul style="list-style-type: none"> d. Cost allocation plan from Maximus, to support indirect cost to reclassify from charges for services and reduce public works expenses conversion entry e. Compensated Absences and Workers Comp f. Deferred Revenue g. Self Insurance h. OPEB i. <i>intentionally left blank</i> j. Bluffwalk <ul style="list-style-type: none"> Adjust Bluffwalk AR Reclass to Current payable Record Interest Rec per agreement Record Due from Developer k. Bluffwalk Analysis – Fund level and Entity wide
	COMPONENT UNITS
P.4	Greater Lynchburg Transit Company financial statements
P.5	Business Development Centre - financial statements
P.6	Lynchburg City Schools - financial statements; notes; return of school local funding
	CAFR COMPONENTS
P.7	Statement of Cash Flows <ul style="list-style-type: none"> a. Airport b. Fleet c. Sewer d. Stormwater e. Water
P.8	CAFR Reconciliations
P.9	Transmittal Letter
P.10	MD&A
P.11	CAFR NOTES <ul style="list-style-type: none"> Note 1 - Summary of Significant Accounting Policies Note 2 - Cash and Investments Note 3 - Property Taxes Note 4 - Interfund Receivables, Payables and Transfers Note 5 - Due From/To Primary Gov't and Component Units Note 6 - Due From Other Governments Note 7 - Receivables Note 8 - Capital Assets Note 9 - Long-Term Liabilities

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	Note 10 – Fund Balance
	Note 11 – Employee Benefits Plan
	Note 12 - Other Post Employment Benefits
	Note 13 - Leases (Lessee and Lessor)
	Note 14 - Risk Management
	Note 15 - Significant Transactions between City and Schools
	Note 16 - Commitments and Contingencies
	Note 17 - Subsequent Events
	Note 18 - New Accounting Standards
	 SUPPLEMENTAL SCHEDULES
P.12	a. Schedule of expenditures of federal awards Schedule of Federal Programs -Expenditures- CFDA number City Capital Projects Airport Utilities Human Services Region 2000 Schools
	b. Notes to Schedule of Federal Awards
	c. Schedule of Passenger Facility Charges
	d. Schedule of Expenditures of Passenger Facility Charges
P.13	STATISTICAL SECTION Miscellaneous Statistical Data Table 1 - Net Position by Component, Last Ten Fiscal Years Table 2 - Change in Net Position, Last Ten Fiscal Years Table 3 - Program Revenues by Function/Program, Last Ten Fiscal Years Table 4 - Fund Balances, Governmental Funds, Last Ten Fiscal Years Table 5 - Changes in Fund Balances of Governmental Funds. Last Ten Fiscal Years Table 6 - Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances General Fund Last Ten Fiscal Years Table 7 - Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances - School Funds Last Ten Fiscal Years Table 8 - Comparative Statement of Revenue, Expenses, and Changes in Fund Net Position - Solid Waste Management Fund, Last Five Fiscal Years Table 9 - Comparative Statement of Revenue, Expenses, and Changes in Fund Net Position - Water Fund Last Ten Fiscal Years Table 10 - Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position - Sewer Fund Last Ten Fiscal Years Table 11 - Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position- Stormwater Fund Last Two Fiscal Years

Appendix C
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of City Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
	Table 12 - Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position - Airport Fund Last Ten Fiscal Years
	Table 13 - Tax Revenues by Source, Governmental Funds, Last Ten Fiscal Years
	Table 14- Assessed Value of Taxable Real Property, Last Ten Fiscal Years
	Table 15 - Assessed Value of all Taxable Property Last Ten Fiscal Years
	Table 16 - Principal Property Taxpayers, Current Year and Nine Years Ago
	Table 17 - Property Tax Levies and Collections, Last Ten Fiscal Years
	Table 18 - Property Tax Rates - Last Ten Fiscal Years Per \$100 of Assessed Valuation
	Table 19 - Ratios of Outstanding Debt by Type, Last Ten Fiscal Years
	Table 20 - Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years
	Table 21 - Legal Debt Margin Information, Last Ten Fiscal Years
	Table 22 - Pledged Revenue Coverage, Last Ten Fiscal Years
	Table 23 - Demographic and Economic Statistics, Last Ten Calendar Years
	Table 24 - Principal Employers, Current Year and Nine Years Ago
	Table 25 - Full-Time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years
	Table 26 - Operating Indicators by Function/Program, Last Ten Fiscal Years
	Table 27- Capital Assets Statistics by Function/Program, Last Ten Fiscal Years
	Table 28 - Lynchburg City Schools - Student Enrollment, Employees and Schools by Fiscal Year, Last Ten Fiscal Years
	REQUIRED SUPPLEMENTAL INFORMATION
P.14	EX 12 Schedule of Funding Progress for Defined Benefit Pension Plan EX 13 Schedule of Funding Progress OPEB
P.15	OTHER SUPPLEMENTAL INFORMATION a. Fund descriptions for CAFR insertion -Non Major Governmental Funds b. Discretely Presented Component Unit - Schools
	INTRODUCTORY SECTION
P.16	Directory of Principal Officials
P.17	Organizational Chart
P.18	Certificate of Achievement for Excellence in Financial Reporting
P.19	Table of Contents
P.20	Deliver Camera-Ready CAFR to printer for production – <i>audit firm provides camera-ready CAFR</i>
P.21	Comparative cost transmittal report
	OTHER
P.22	PPC Disclosure Checklist – <i>prepared by the audit firm</i>
P.23	GFOA Checklist- <i>prepared by the audit firm</i>

Appendix D
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of Schools Furnished Items

Schedule #

Schedule Description

NOTE: Schools includes Lynchburg City Schools, Governor's School Fund, Step with Links Fund and STEM Academy unless otherwise stated.

- | | |
|----|---|
| 1 | Provide a copy of the Trial Balance for all funds for the year ended 6/30 in Microsoft Excel. This includes the Laurel Regional Fund, the Cafeteria Fund, the Governor's School Fund, and Step with Links Fund and STEM Academy. |
| 2 | Provide copies of the School Board Minutes from May through the most current minutes available. |
| 3 | Provide copies of the Laurel Regional Program Board Minutes for fiscal year ending 6/30. |
| 4 | Provide a Schedule of the Number of Employees by Department for Schools, the Cafeteria and the Laurel Regional Program for the current fiscal year. |
| 5 | Provide a copy of the final Budget at 6/30 summarized by the line items in Exhibit 3 of the CAFR. |
| 6 | Provide a copy of the Commodities Report received from the Commonwealth of Virginia for the Cafeteria Fund. |
| 7 | Provide a copy of the VRS Actuarial Report for the current year. |
| 8 | Complete VRS Contribution Schedules for 6/30. |
| 9 | Prepare a list of any Threatened or Pending Litigation and the current status of each item. Include Questioned Costs, if any, related to federal or state programs and EEOC claims. |
| 10 | Update the Educational Statistical Tables in the Statistical Section of the CAFR. |
| 11 | Provide a Listing of Outstanding Encumbrances at 6/30 for disclosure in the Notes to the financial statements. |
| 12 | Provide copies of the Schools' and the Laurel Regional Program's Annual Reports filed with the state for 6/30. |

Appendix D
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of Schools Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
13	Provide copies of any new lease agreements signed during the year under audit.
14	Provide a copy of the GNL.570 Budget to Actual Report by Function for the year.
15	Provide a copy of new agreements and/or new amendments to existing agreements, such agreements include grant agreements, debt lease agreements, pension, and other benefits plan agreements.
16	Provide a listing of attorneys used for non-routine services for the fiscal year ending 6/30. Provide their names and addresses for the Attorney's Letter. Also, provide access to all legal invoices for the fiscal year.
17	Provide a listing of School Board Officials for fiscal year ending 6/30.
18	If applicable, provide a Listing of Events Occurring Subsequent to 6/30 that could have a significant impact on the School's financial statements. Have available all bank reconciliations for all funds (including Cafeteria and Laurel Regional Program) at 6/30 for review.
19	Provide a copy of the Investment Reconciliation prepared by the City.
20	Provide a copy of the Step with Links Schedule that details income, expenses, and capital gains and losses for fiscal year ending 6/30.
21	Complete a listing of federal and state funds that were owed to the Schools as of 6/30. For state funds, include sales tax receipts, social security payments, and VRS payments received in July (pertaining to June). Provide access to all supporting reimbursement requests that support these accruals.
22	Provide access to the check register from 7/1 to 9/24 for the Schools' and Cafeteria Funds. Auditors will need this the final day of fieldwork.
23	Provide copies of the inventory worksheets prepared at 6/30 for the Cafeteria Fund as well as the detail records that support the ending inventory amounts.

Appendix D
City of Lynchburg, Virginia
Schedule of Prepared by Client Items

List of Schools Furnished Items (continued)

<u>Schedule #</u>	<u>Schedule Description</u>
24	Provide detail printouts of the Laurel Regional Program Machinery & Equipment account (9.1410.112.8001.200.906) for the year under audit. Also provide detail printouts for any other fixed asset accounts of the Laurel Regional Program.
25	Provide a Fixed Asset Schedule as of 6/30 to include beginning balances, additions, deletions, and ending balances. This schedule should also include depreciation associated with these assets, including beginning balance, additions, deletions, and ending balance.
26	Provide a Listing of Construction in Progress as of 6/30. This Schedule should include projects which were not complete as of 6/30, amounts paid through 6/30, amounts in Accounts Payable (A/P) as of 6/30, and remaining commitments (including retainage for work incurred before 6/30 in A/P).
27	Provide a Schedule of Accrued Vacation and Sick Leave for Schools and the Laurel Regional Program at 6/30.
28	Provide a Schedule of Lease-Purchase Transactions for the fiscal year ending 6/30. Include proceeds, funds utilized, payments made, and available cash as of 6/30.
29	Provide a Schedule of Outstanding Contracts at 6/30 that shows the total contract amount, amounts paid through 6/30 and the balance to finish the contract (for the Outstanding Commitments Section of the Notes).
30	Provide a copy of the Schedule of Trade Accounts Payable that agrees to the Trial Balance, if applicable.
31	Provide a Schedule of Debt Service (Lease-purchase) Payments made during fiscal year ending 6/30.
32	Provide a Schedule of Revenues by Locality for the Laurel Regional Program for the fiscal year ending 6/30.
33	Ensure School Board members prepare and submit their financial disclosure forms to the City by the established deadline.