

**REQUEST FOR PROPOSAL (RFP) FOR
FORENSIC AUDITOR SERVICES**

Specification No. PA8125

BRITISH VIRGIN ISLANDS PORTS AUTHORITY

Managing Director

BRITISH VIRGIN ISLANDS

All qualifications and other communications must be addressed and returned to:

Nathaniel Isaac, Chairman

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British Virgin Islands Ports Authority
Port Purcell P.O Box 4, Road Town,
Tortola, British Virgin Islands

A Pre-Proposal Conference will be held on Tuesday, September 3, 2019, 9:00 am at Village Cay Conference Room,
Nibbs St, Road Town, British Virgin Islands
Attendance is Non-Mandatory but encouraged.

**PROPOSALS MUST BE RECEIVED NO LATER THAN 4:00 PM, ATLANTIC STANDARD TIME, ON MONDAY,
SEPTEMBER 23, 2019**

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**REQUEST FOR PROPOSAL (“RFP”) for
FORENSIC AUDIT OF BVI PORTS AUTHORITY
Specification No. PA8125**

I. GENERAL INVITATION

1.1 Purpose of the Request for Proposal

BVI Ports Authority (hereafter abbreviated as “Authority”), through this Request for Proposal (hereafter abbreviated as “RFP”), extends an invitation to qualified forensic auditing firms to submit a proposal to conduct a forensic accounting audit of the Ports Authority Accounts. The audit is to be conducted in accordance with all applicable professional accounting & auditing standards. The auditors could be required to testify or provide documentation in proceedings.

The British Virgin Islands Ports Authority (BVIPA) is responsible for the welcoming and safe arrival of seafaring passengers, as well as the reception, handling and security of cargo and sea-based trade.

The British Virgin Islands Ports Authority was established by the British Virgin Islands Ports Authority Act, No. 12 of 1990 (the Act), as a separate corporate entity, solely owned by the Government of the Virgin Islands. The BVI Ports Authority is governed by a Board comprised of a Chairman, Deputy Chairman, five members, and four ex-officio members.

The day to day operations are assessed and actioned by a management team headed by the Managing Director, which oversees nine departments: Administration, Business Development, Human Resources, Finance, Information Systems, Maintenance, Marine, Security and Operations.

In addition to its Managing Director, the Authority’s management teams comprises a Deputy Managing Director, General Counsel, Managing Director, Deputy Managing Director, Business Development Manager, Information Systems Manager, Operations Manager, Marine Manager, Administration Manager, Compliance Manager, Security Manager and Human Resources Manager.

When auditing the Authority, the auditor shall consider all types of payments and deposits, authorization controls, necessary documentation, cash receipt controls and procedures for such transactions including segregation of duties and reconciliation controls.

Consulting Auditing Firms/Individuals with demonstrated experience in these areas, and with an interest in making their services available to the Authority, are invited to respond to this RFP. There is no expressed or implied obligation for the Authority to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The selected Respondent(s) (hereinafter “Contractor”) awarded a Professional Services Contract shall perform all tasks and functions associated with the Services as required in this RFP. It is the intent of the BVI Ports Authority to award a contract based on their qualifications and specialized experience as a result of this RFP.

The work contemplated is professional in nature. It is understood that the Respondent acting as an individual, partnership, corporation or other legal entity, is of professional status, licensed for all

applicable professional discipline(s) requiring licensing and will be governed by professional ethics in its relationship to the Authority. It is also understood that all reports, information, or data prepared or assembled by the Respondent under a contract awarded pursuant to this RFP are confidential in nature and will not be made available to any individual or organization, except the Authority, without prior written approval from the Authority. Any contract resulting from this document will require the Respondent to execute a statement of confidentiality.

The Contractor shall be financially solvent and each of its members if a joint venture, its employees, agents or subcontractors of any tier shall be competent to perform the services required under this RFP document.

1.2 Access to this RFP

All materials related to the RFP will be available via media outlets in the British Virgin Islands.

Respondents will be responsible for checking media outlets for Clarifications and/or Addenda, if any. Failure to obtain Clarifications and/or Addenda shall not relieve Respondent from being bound by any additional terms and conditions in the Clarifications and/or Addenda, or from considering additional information contained therein in preparing your response. Note, there may be multiple Clarifications and/or Addenda. Any harm to the Respondent resulting from such failure shall not be valid grounds for a protest against award(s) made under the solicitation.

The Authority accepts no responsibility for the timely delivery of materials or for alerting Respondents on additional posting of information related to this RFP.

II. DEFINITIONS

“Authority” means BVI Ports Authority.

“Contract” or “Agreement” means a binding written agreement for the solicited Work and/or Services required by the Authority, including purchase orders, containing terms and obligations governing the relationship between the Authority and the Contractor.

“Addendum” means a revision of the RFP Documents issued by the Managing Director prior to the due date for submitting Proposals.

“Contractor” means the Proposer or Respondent that receives an award of Contract or Agreement from the Authority as a result of this Solicitation.

“Proposal” means the documents timely remitted by Proposer or Respondent, in response to this Solicitation.

“Proposer” or **“Respondent”** means all Contractors, Consultants, Organizations, or other entities submitting a response to this RFP.

“Scope of Services” or **“Scope of Work”** means section III of this Solicitation, which details the work to be performed by the Contractor or Consultant.

“Solicitation” means this Request for Proposal (RFP) document, and all associated addenda and attachments.

“Work” or **“Professional Services”** means the provision of professional forensic auditing services, in accordance with generally accepted accounting and auditing practices and standards, including all other labour, materials, equipment and services provided or to be provided by the Contractor in fulfilling its obligations to the Authority, as more specifically detailed in the Scope of Services.

III. SCOPE OF SERVICES

This RFP is for services related to a forensic audit of the BVI Ports Authority. A consultant will be awarded an agreement for Professional Services, whereby an estimated maximum compensation limit will be established for the duration of the contract term and adjusted by amendment, if necessary.

Based upon the issues involved in this matter, the Authority believes the review will require the assistance of a qualified forensic accountant and an integrated team of accountants to analyze the books, records and policies of the Authority in all of the following areas:

- Complete a comprehensive review and reconciliation of fiscal years 2014, 2015, 2016, 2017, 2018 fund accounting practices complying with generally accepted accounting principles (GAAP).
- Determine the efficiency, effectiveness and productivity of the Authority by reviewing existing controls, and compliance with these controls.
- Conduct factual investigation, including interviews, and document review to determine that the Authority complies with all guidelines and requirements pertaining to all aspects of Ports Act, 2003.
- Identify areas of risk fraud and misconduct.
- Recommend improvements and best practices
- Assist with policies and procedures as they pertain to all aspects of the conduct and management of the finances of the Authority, including but not limited to Financial Reporting, Conflict of Interest and Procurement.

3.1 Procedures and Review

The following outline comprehends but does not limit the type of procedures and review that would be most beneficial to the Authority considerations in authorizing this work:

- I. Analyze Authority's contractual agreements as to:
 - a. Procurement and bidding procedures
 - b. Financing and payment history
 - c. Management of contract
 - d. Conflict of interest
 - e. Other

- II. Analyze detailed general ledger and account activity to include:
 - a. Understand purpose of each account
 - b. Analyze and investigate activity for specific accounts and transactions as deemed appropriate, including all Ports activity accounts.

- III. Analyze Authority's documentation and payroll processes as deemed appropriate:
 - a. Support for cash disbursement
 - b. Support for journal entries
 - c. Support for overpayment and/or underpayment, retirement, etc.
 - d. Analyze and investigate all payroll practices
 - e. Other

- IV. Conduct interviews, as necessary
 - a. Accounting staff
 - b. Non-accounting personnel as necessary
 - c. Others

- V. Prepare and present a summary of findings.

3.2 Reports to be issued

Following the completion of the audit, the auditor shall issue the following:

1. A written report communicating the audit procedures performed and the results of those procedures. The report should address the results of the audit procedures in light of the scope of services discussed in sections III above.

2. A written report listing any internal control conditions found during the course of the audit procedures that would be defined as material weaknesses or significant deficiencies in the design

or operation of the internal control structure.

3. A written report recommending new systems to enhance and maximize performance; and related work as required.
4. In addition, the Authority desires that an additional report provide an evaluation of the Authority's internal accounting and operating controls, review compliance with the controls, evaluate risk of fraud and misconduct and recommend enhancements where necessary to strengthen the Authority's practices during this audit engagement. The Authority requests that the Auditor communicate recommendations for correcting each noted material weakness or significant deficiency. If during the audit procedures, the Auditor discovers internal control conditions that require the Authority's immediate attention, the Auditor(s) are obliged to brief the Authority accordingly at that time.

IV. GENERAL INFORMATION AND GUIDELINES

4.1 Communication Between the Authority and Respondents

Submission of Questions or Requests for Clarifications

Respondents must communicate only with the Department of Finance of the BVI Ports Authority regarding this RFP. All questions or requests for clarification must be submitted to the following e-mail address: nisaac@bviports.org. The subject line of the email must clearly indicate that the contents are "Questions and Requests for Clarification" about the RFP, and must refer to "Request for Proposal (RFP) for the forensic auditor services, Specification No. PA8125." The specification number must appear in the subject line of the e-mail. No telephone calls will be accepted.

All questions and requests for clarifications must be submitted no later than **4:00 pm, Atlantic Standard Time, on Thursday, September 5, 2019**, or no response will be provided. A Respondent that deviates from any of these requirements is subject to immediate disqualification from this RFP process.

Pre-Proposal Conference

The Authority will hold a pre-submittal conference at Village Cay Conference Room, Nibbs St, Road Town, British Virgin Islands on **Tuesday, September 3, 2019, at 9:00 a.m., Atlantic Standard Time**. Attendance is not mandatory; however, it is strongly encouraged. The Authority will address questions regarding the RFP at the pre-proposal conference and may respond both to questions or requests for clarification submitted on the day of the conference, and to questions submitted prior to the conference date. However, Respondent may only rely on written addenda and/or clarifications. The Authority accepts no responsibility for timely delivery of materials, and Respondents are solely responsible for acquiring necessary information, addenda and/or materials.

Deadline and Procedures for Submitting Proposals

To be assured of consideration, Proposal responses must be received by the Authority **no later than 4:00 pm Atlantic Standard Time on Monday, September 23, 2019.**

The Authority will not accept responses delivered after the established deadline, stated above. If the response is delivered after the established deadline, a Respondent shall be deemed non-responsive to the Solicitation requirements.

Proposals must be delivered to the following address:

British Virgin Islands Ports Authority
Managing Director, Port Purcell P.O Box 4, Road Town,
Tortola, British Virgin Islands

Respondent is required to submit (3) sealed hard copies (either mailed or hand delivered) and an electronic copy in PDF format sent to the point of contact on this email nisaac@bviports.org. The outside of each sealed envelope shall clearly be marked as follows:

Proposal Enclosed: Request for Proposal (RFP) for Expert Professional Forensic Accounting Services
Specification No. PA8125

Due: 4:00 p.m. Atlantic Standard Time, Monday, September 23, 2019

Submitted by: (Name of Respondent) Package__of ____

The Authority is within its rights to consider a proposal non-responsive and disqualify a prospective Respondent if it does not follow this format or if the proposal fails to include all of the requirements of this RFP.

4.2 Procurement Timetable

The timetable for the RFP solicitation is summarized below. Note that these are target dates and are subject to change by the Authority.

Advertisement of Request for Proposal	Tuesday, August 27, 2019
Pre-Proposal Conference	Tuesday, September 3, 2019 9:00 am
Questions and Clarification Deadline	Thursday, September 5, 2019 4:00 pm
Proposal Submission Deadline	Monday, September 23, 2019 4:00 pm

V. PREPARING PROPOSALS: REQUIRED INFORMATION

Each Proposal response must contain all of the following documents and must conform to the following requirements.

5.1 Format of Proposals

Proposal response must be prepared on 8 ½" X 11" letter size paper, printed double-sided, and bound.

Sections should be separated by labelled tabs and organized in accordance with subject matter sequence as set forth below in Section 5.2. Each page of the Proposal must be numbered in a manner so as to be uniquely identified. Proposal response must be clear, concise and well organized.

5.2 Proposal Document Instructions

The submitted written proposal must utilize the following format and content detail. Proposals shall be prepared so that responses are specifically identified in the same order as the requested information identified below. Failure to comply with the instructions of this RFP may be cause for rejection of the non-compliant proposal.

A. Cover Letter – (Mandatory)

Respondent must submit a cover letter signed by an authorized representative of the entity committing Respondent to provide the Services as described in this RFP in accordance with the terms and conditions of any contract awarded pursuant to the RFP process. The cover letter must:

1. Indicate the number of years the company has been in business and provide an overview of the experience and background of the company and its key personnel committed to providing Services.
2. Identify the legal name of the company, its headquarters address, its principal place of business, its legal form (i.e., corporation, joint venture, limited liability company or partnership, etc.), and the names of its principals or partners and authority to do business in British Virgin Islands.
3. Indicate the name, telephone number(s) and e-mail address of the principal contact for this submittal, oral presentation or negotiations.

B. Executive Summary

Respondent must provide an executive summary which explains its understanding of the Authority's intent and objectives and how their Proposal would achieve those objectives. The summary must discuss Respondent's strategy and methodology for successfully conducting the forensic audit for the Authority; capacity to perform, and approach to project management, satisfying the scope of services in the RFP and any additional factors for the Authority's consideration.

C. Company Profile Information

Respondent must provide a brief history and description of their firm's business organization and its performance audits, forensic audits, best practice and compliance assessments, as well as specialized services practice and experiences. Within the profile, Respondent is required to include the location of offices and the number of auditors and forensic auditors available for project work, and elaborate the specific expertise and services that distinguish their firm.

Respondent must

- i. Affirm that their firm, the partner and manager assigned to the audit engagement are properly licensed to perform the scope of services requested.
- ii. Affirm that their firm meets the independence standards defined in the Ethical Rules of the AICPA.
- iii. Affirm that their firm meets the peer review standard of the AICPA and Government Auditing Standards.

Professional Qualifications & Experience

Respondent must provide a summary of individuals who will be dedicated to the Services. For each key person identified, Respondent must provide the following information:

- Summary of the key personnel who will be dedicated to the Services as proposed for the master agreement.
- Key personnel areas of expertise and areas for prime responsibility for various tasks or aspects of the Services.
- Resumes or corporate personnel profiles with past experience for each of the key personnel, including a description of their roles and responsibilities on recent projects of similar type, scope, and magnitude relating to the Scope of Services as described in this RFP. Respondent must provide the following information:

D. Forensic Audit Approach

Respondent must describe the policies and procedures, strategies and methodology for providing the auditing services solicited by this Request for Proposals. Respondent should set forth a work plan,

including an explanation of the audit methodology to be followed, to perform the services required in Section III of this request for proposals. Respondent will be required to provide the following information on their audit approach:

- Proposed segmentation of the engagement with anticipated time frames for each segment.
- Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- Type and extent of analytical procedures to be used in the engagement.
- Approach to be taken to gain and document an understanding of the Authority's internal control structure.
- Identification of the extent of substantive tests of balances procedures to be performed.

Respondent must also identify and describe any potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Authority.

E. Cost Proposal/ Compensation of Schedule

The Respondent must provide pricing information in the format and content outlined in **Exhibit 1** in order for the Respondent's Proposal to be considered responsive to this section and to facilitate equitable cost comparisons. Proposals that fail to include cost proposal information will be rejected as incomplete and deemed non – responsive. For purposes of comparing costs among Respondents, Respondent must not deviate from the cost table outlined in **Exhibit 1**. The Authority reserves the right to negotiate a final fixed price, terms and conditions with selected Respondent(s).

F. Financial Statements

Respondent must provide a copy of its audited financial statements for the last 3 years. Respondents that are comprised of more than one entity must include financial statements for each entity. The Authority will accept one complete set of financial statements. Respondents are required to provide required financial statements in sufficient detail for the Authority to assess its financial condition as part of their proposed submission. The Authority reserves the right to accept or reject any financial documentation other than the financial statements requested by this section.

If Respondent is unable to provide audited financial statements, state the reasons in your Qualifications response and provide financial documentation in sufficient detail to enable the Authority to assess the financial condition of your company.

At a minimum, unaudited financial statements must include the balance sheets and income statements (or equivalent) for the last three years. Assets/liabilities and income/ expenses must be presented in adequate detail for the Authority to assess the financial condition of the Respondent.

VI. EVALUATING PROPOSALS

An Evaluation Committee, which will include representatives from the Ports Authority and its Department of Finance will review and evaluate the Proposals, as described below. The Proposal evaluation process is organized into two phases:

- Phase I - Preliminary Proposal Assessment
- Phase II - Proposal Evaluation

Phase I - Preliminary Proposal Assessment

Phase I will involve an assessment of the Respondent's compliance with and adherence to all submittal requirements requested in Section V. Proposals which are incomplete and missing key components necessary to fully evaluate the Proposal may, at the discretion of the Evaluation Committee, be rejected from further consideration due to "non-responsiveness" and rated Non-Responsive. Proposals providing responses to all sections will be eligible for detailed analysis in Phase II of Proposal Evaluation process.

Phase II - Proposal Evaluation

In Phase II, the Evaluation Committee will review the Respondent's Proposal to determine overall responsibility of the Respondent and responsiveness and completeness of the Proposal with respect to the components outlined in the RFP using the following criteria (not necessarily listed in order of importance) as applicable:

A. Professional and Technical Competence: [Evaluation points: 20]

1. Ability to provide the Services described in the RFP, including capacity to perform the Scope of Services described in Section III (Scope of Services) of this RFP.
2. Professional Qualifications and Specialized Experience of Respondent and its Team on projects of similar scope and magnitude (e.g., specifically with respect to large organizations, and government agencies).
3. Professional Qualifications and Specialized Experience of Respondent's Key Personnel (and Team Members).

B. Quality, Comprehensiveness and Adequacy of the proposed Approach, Strategy and Methodology for Implementing Engagements: [Evaluation points: 20]

The Evaluation Committee will review each Proposal response for the Respondent's understanding of the objectives of the Services. Each Respondent will be evaluated on their overall strategy, methodology and approach to implementing engagements.

C. Cost Proposal/ Compensation Table: [Evaluation points: 30]

The Authority will consider the degree to which Respondent adheres to the Compensation Table in **Exhibit 1**.

D. Financial Stability [Evaluation points: 20]

The Evaluation Committee will consider the financial condition of Respondent. Respondent must be financially stable to ensure performance over the duration of the contract.

E. Compliance with Laws, Ordinances, and Statutes: [Evaluation points: 10]

The Evaluation Committee will consider Respondent's compliance with all laws, ordinances, and statutes governing the contract.

The Evaluation Committee will carefully evaluate all proposals received by calculating the evaluation points to rank, and select a limited number of Respondents to present additional details via an on-site evaluation. The evaluation committee will select the capable Respondent for further negotiation pursuant to this Request for Proposal.

VII. ADDITIONAL DETAILS OF THE RFP PROCESS

7.1 Addenda

If it becomes necessary to revise or expand upon any part of this RFP, an addendum will be sent (electronically or by mail) to all of the prospective Respondents. A copy of addenda associated with this RFP specification number will also be sent to media in the British Virgin Islands. Each addendum is incorporated as part of the RFP documents, and the prospective Respondent should acknowledge receipt.

An addendum may include, but will not be limited to, the following:

1. Responses to questions and requests for clarification sent to the Department of Finance – Ports Authority; or
2. Responses to questions and requests for clarification raised at the Pre-Submittal Conference; or

7.2 Authority's Rights to Reject Proposals

The Authority reserves the right to reject any and all Proposals that do not conform to the requirements set forth in this RFP; or that do not contain at least the information required by this RFP.

7.3 No Liability for Costs

The Authority is not responsible for costs or damages incurred by Respondents in connection with the RFP process, including but not limited to costs associated with preparing the Proposal and/or participating in any conferences, oral presentations or negotiations.

7.4 False Statements

(a) False Statements

Any person who knowingly makes a false statement of material fact to the Authority in violation of any statute, ordinance or regulation, or who knowingly falsifies any statement of material fact made in connection with an application, report, affidavit, oath, or attestation, including a statement of material fact made in connection with a bid, or proposal, is liable to the Authority for a civil penalty of not less than \$500.00 and not more than \$1,000.00, plus up to three times the amount of damages which the Authority sustains because of the person's violation of this section.

(b) Aiding and Abetting.

Any person who aids, abets, incites, compels or coerces the doing of any act prohibited shall be liable to the Authority for the same penalties for the violation.

7.5 DISCLAIMER

This RFP is a request for proposals only and not an offer document. Answers to this RFP must not be construed as acceptance of an offer or imply the existence of a contract between the parties. By submission of its proposal, Respondents shall be deemed to have satisfied themselves with and to have accepted all Terms & Conditions of this RFP. The Authority makes no representation, warranty, assurance, guarantee or endorsements to Respondent concerning the RFP, whether with regard to its accuracy, completeness or otherwise, and the Authority shall have no liability towards the Respondent or any other party in connection therewith.

REIMBURSABLE EXPENSES*

3. Air Travel: (Full Economy Class or Equivalent)

Routing	Air Fare	No. of Flights	Total
Total Air Travel			

4. Local Travel: (Rental Vehicle or Taxi)

Journey	Cost	No. of Journeys	Total
Total Local Travel			

5. Miscellaneous

Item	Description, number etc	Total
Printing and Binding		
Communications		
Equipment Purchase		
Accommodation (not listed in Per Diem) for long term experts		
Other Miscellaneous Expenses (to be specified)		
Miscellaneous Total		

6. Contingencies: (utilization only after prior approval in writing by the Authority)	[contingency]
Total Amount of Financial Proposal	