



**Town of Smithfield
310 Institute Street
Smithfield, Virginia 23430**

**REQUEST FOR PROPOSAL (RFP) # 17-11
Professional Auditing Services**

Issue Date: December 1, 2017 • Due Date/Time: 12:00 NOON, THURSDAY, JANUARY 11, 2018

Contract Officer: Sonja Eubank | E-mail Address: seubank@smithfieldva.gov

PERIOD OF CONTRACT: Three years (beginning with services for fiscal year ending June 30, 2018), option to renew for two additional years.

PROPOSAL SUBMISSION: Sealed proposals must be received prior to the Due Date/Time above, for furnishing the services described herein at the following address. Any proposals received after the stated time and date will be returned unopened. Delivery address: **Town Hall, 310 Institute Street, Smithfield, Virginia 23430**

PRE-PROPOSAL CONFERENCE: An optional pre-proposal conference will be held at **10:00 AM on December 18th 2017** located in the Town Hall, 2nd Floor Conference Room, 310 Institute Street, Smithfield, Virginia 23430. The purpose of this conference is to allow Offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation. While attendance is not mandatory, Offerors who intend to submit a proposal are encouraged to attend. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, then it is the Offeror's responsibility to contact the Contract Officer's whose name appears on the face of this solicitation, **in writing, no later than January 4, 2018. Oral requests for information will not be accepted.** No further written inquiries will be accepted after **5:00 p.m. local time on January 4, 2018.** Any revisions to the solicitation will be made only by an addendum issued by the Contract Officer named above. Any addenda, notifications, extensions, cancellations or changes will be posted on the Town's website at www.smithfieldva.gov and the Commonwealth of Virginia's e-procurement website, www.eva.virginia.gov. No other notification is required. It is the responsibility of the prospective Offeror to obtain all current information from either the Town website or the eVA website.

The undersigned hereby offers and agrees to furnish all goods and/or services in accordance with the attached signed proposal and the mandatory requirements outlined herein, or as mutually agreed upon through subsequent negotiation.

Company Name: _____	Email: _____
Address: _____	Telephone: _____
City/State/ZIP: _____	Fax: _____
Signature: _____	Cell: _____
Printed Name: _____	Date: _____
Title: _____	

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia* § 2.2-4343.1 or against a Bidder or Offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

TABLE OF CONTENTS
REQUEST FOR PROPOSALS #17-11
PROJECT: PROFESSIONAL AUDITING SERVICES

I.	PURPOSE	1
II.	BACKGROUND	1
III.	STATEMENT OF NEEDS	3
IV.	PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS	6
V.	EVALUATION AND AWARD CRITERIA	10
VI.	CONTRACT TERM	11
VII.	PRE PROPOSAL CONFERENCE	11
VIII.	DELIVERY INSTRUCTIONS	12
IX.	GENERAL TERMS AND CONDITIONS	13
X.	SPECIAL TERMS AND CONDITIONS	20
XI.	ATTACHMENTS	22
	A. Signature Sheet	
	B. Exception Sheet	
	C. Vendor Data/Reference Sheet	
	D. Proprietary/Confidential Information Identification	
	E. State Corporation Commission Sheet	
	F. Insurance Requirements	
	G. Agreement	
	H. Hold Harmless Agreement	
	I. W-9 (Request for Taxpayer Identification Number and Certification)	

TOWN OF SMITHFIELD
REQUEST FOR PROPOSALS #17-11
PROFESSIONAL AUDITING SERVICES

I. PURPOSE:

The Town of Smithfield (hereinafter referred to as “Town”) is requesting sealed proposals from qualified certified public accounting firms to provide financial and compliance auditing services for the town. It is the intent of the town to enter into a three (3) year contract beginning with services for the fiscal year ending June 30, 2018.

II. BACKGROUND:

The Town of Smithfield is located in Isle of Wight County and has a population of approximately 8100 people and is approximately 10.1 square miles in size. The town’s fiscal year begins on July 1 and ends on June 30.

The Town provides the following services to its citizens:

- General governmental services including: police, refuse collection and disposal, recycling, water and sewer utility, and maintenance of streets and roadways.
- The Town currently has 60 full time employees and 10 part-time employees with a total payroll (excluding benefits) of approximately \$3,655,000.
- The general governmental fund is organized into six major groupings: General Government, Public Safety, Public Buildings, Public Works, Cultural and Recreation, and Community Development. The groupings contain ten major departments including Town Council, Town Manager, Treasurer, Police, Smithfield Center (conference center), Windsor Castle, Museum, Community Development, Public Works, and Public Buildings.

Fund Structure – The Town uses the following fund types and account groups in its financial reporting:

<u>Fund Type</u>	<u>Adopted Annual Budget</u>
General Fund	yes
Special Revenue Funds (Highway)	yes
Enterprise Funds (Water and Sewer)	yes (2 separate budgets)

Budgetary Basis of Accounting – The Town prepares its budget on a basis consistent with generally accepted accounting principles.

Federal and State Financial Assistance – In 2017, the Town received federal assistance directly from the federal government or as pass through funds from the following departments:

- Department of Justice
- Department of Housing and Urban Development
- Department of Transportation

Pension Plan – The Town participates in the Virginia Retirement System, which is a Multiple-Employer Defined Benefit Plan. The Virginia Retirement System provides actuarial services for this plan. The Town also offers its employees a choice of a deferred compensation plan (457) or a Payroll ROTH IRA through ICMA-RC. The ICMA-RC offerings are optional and fully funded by the employees. The Town serves only as administrator of the plans.

Joint Ventures – The Town does have memorandums of understanding (MOUs) in place with other local governments in areas such as tourism, police, and utilities. The most notable ones for the Town are tourism which is shared 50/50 with Isle of Wight County and E911 communications dispatch services which is currently shared 63% Isle of Wight County, 28.5% Town of Smithfield, and 8.5% Town of Windsor.

Finance Operations – The Town does not have a finance department. All budget and finance functions are performed in the Treasurer’s Department with the following staff:

- Treasurer
- Deputy Treasurer - 1
- Financial Analyst - 1
- Payroll Clerk – 1
- Water/Sewer Clerk - 1
- Accounts Payable/Tax Clerk – 1
- Tax Clerk – 1
- Secretary/Receptionist - 1

Computer Systems - The Town currently uses the BAI Municipal Software to process almost all accounting and general ledger information in the Treasurer’s office. This includes utility billing and tax collections. Exceptions include payroll which is outsourced to Southern Payroll and fixed assets which are maintained in an Excel workbook after download from a web data base through AssetWorks. Activity for payroll and fixed assets are posted to the general ledger through journal entries. The Town contracted with MUNIS in November 2015 for a software conversion that has been met with delays but resumed in October 2017. The Accounts Payable and General Ledger functions are now scheduled for conversion during FY2018.

III. STATEMENT OF NEEDS:

A. Auditing and Reporting Services

1. Comprehensive Annual Financial Report (CAFR) – The auditor shall express an opinion of the fair presentation of the Town’s basic financial statements as presented in the CAFR in conformity with generally accepted accounting principles.

The auditor shall also perform certain procedures in regards to the required supplementary information and supporting schedules of its individual funds given the small size and limited resources of the Town’s financial staff.

2. Single Audit – In addition, with the audit of the financial statements, the auditor shall examine, perform tests, and report on the Schedule of Expenditures of Federal Awards and all related reports according to OMB Circular-A133 Compliance Supplement requirements.
3. APA Transmittal Forms – The Auditor of Public Accounts requires all local governments to complete Comparative Report Transmittal Forms in accordance with the provisions of the Uniform Financial Reporting Manual. The Auditor shall prepare the required forms, perform the agreed upon procedures specified in the Uniform Financial Reporting Manual, and submit the forms to the Auditor of Public Accounts by November 30 following the end of the fiscal year.
4. GFOA Certificate of Achievement – The auditor shall provide special assistance to the Town in order for the Town to meet the requirements of the Government Finance Officers’ Association of the United States and Canada (GFOA) “Certificate of Achievement for Excellence in Financial Reporting.” The Town has never applied for this certification in the past but would like to elevate the quality of its annual audit report. The Town would not expect this to be accomplished until its MUNIS conversion is completed.
5. GASB/FASB Pronouncements – The auditor shall keep the Town fully informed of new Governmental Accounting Standards Board (GASB) pronouncements and any applicable Financial Accounting Standards Board (FASB) pronouncements. If the Town encounters any difficulties in implementing and complying with the specific reporting requirements mandated by the GASB, the Town may request the auditor’s assistance to enable it to comply with those reporting requirements.
6. Public Presentation of Audit – The auditor shall present a summary report to the Town Council at a public session no later than December 31.

- B. Auditing Standards To Be Followed** - The Auditor shall audit all funds of the Town in accordance with the auditing standards generally accepted in the United States of America; the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; the provisions of the OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; and the Specifications for Audits of Counties, Cities, and Towns of the Auditor of Public Accounts, Commonwealth of Virginia.

In connection with the audit of the financial statements, the Auditor shall perform tests and report on compliance in accordance with Government Auditing Standards, OMB Circular A-133, Audits of States, Local Governments and Non-profit Organizations, and the Specifications for Audits of Counties, Cities, and Towns.

- C. Availability of Prior Auditors Reports and Working Papers** – Interested proposers who wish to review prior years’ audit reports and management letters should send an email to eminga@smithfieldva.gov. The Town will use its best efforts to make prior audit reports and the Treasurer’s supporting working papers available to proposers to aid their response to this request for proposals.
- D. Working Paper Retention and Access to Working Papers** – All working papers and reports must be retained, at the auditor’s expense, for a minimum of five years, unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:
1. State Audit Agencies
 2. U.S. General Accountability Office (GAO)
 3. Parties designated by the federal or state governments or by the Town as part of an audit quality review process.
 4. Auditors of entities of which the Town is a sub-recipient of grant funds.
 5. The firm shall also respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.
- E. Contact Persons/Location of Offices** – After contract awards, the auditor’s principal contact with the Town will be Ellen Minga, Town Treasurer, who will coordinate the assistance to be provided by the Town to the auditor. Ms. Minga can be notified by writing at P.O. Box 246, Smithfield, VA 23431, or by telephone at (757) 365-4287 and by Facsimile at (757) 365-4286 or by email at eminga@smithfieldva.gov.
- F. Town’s Time Requirements** – The Town is subject to certain mandated reporting deadlines imposed by legal regulations which must be met. These include the following:

The Comprehensive Annual Financial Report together with transmittal forms is due to the Auditor of Public Accounts, Commonwealth of Virginia, no later than November 30 of each year.

A notarized statement from the chief elected official (Mayor) and the chief administrative officer (Town Manager) stating that the audited financial report has been presented to the local governing body is due to the Auditor of Public Accounts, Commonwealth of Virginia, no later than December 31.

Once applicable, the Comprehensive Annual Audit Report together with the application for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program should be filed no later than December 31 of each year.

To meet these mandated reporting deadlines, the Town requires the following deadlines of the auditor:

1. An entrance conference for the purpose of discussing prior audit problems, the auditors work plan, prepared-by-client schedules and the interim work to be performed should be scheduled with the Town, no later than May 1, 2018 for the first year of the Contract. An entrance conference will not be held for subsequent years of the contract unless specifically requested by the Town or the auditor.
2. During the course of the audit, the auditor will meet as needed with the Town's Treasurer or Town Manager.
3. The auditor shall provide the Town with both a calendar of the scheduled work and a list of required prepared-by-client schedules, system generated reports, and letters necessary for both interim work and final test work no later than May 15, 2018 for the first year of the contract, and by May 15 for subsequent years.
4. The auditor shall complete all fieldwork no later than October 31.
5. The auditor shall provide the Town with a draft CAFR by November 10, final review comments by November 20, and issue their Auditors' opinions by November 30.
6. The auditor shall provide APA Transmittal Report and Letter by November 30.

G. Assistance To Be Provided To The Auditor And Report Preparation

1. Treasurer's Department – The Treasurer's Department has the responsibility for maintaining the general accounts of the Town and is the central oversight and coordinating department for the town wide audit of financial statements. The Treasurer's Department will provide the support necessary for the completion of a successful audit and will complete all the prepared-by-client work papers for the auditor prior to the start of fieldwork.
2. Town Departments – All Town departments will assist the auditor by assembling and making available information pertinent to the examination and providing knowledgeable personnel to meet with the auditor to explain departmental operations.
3. Office Accommodations – The Town will provide the auditor with reasonable office accommodations. The auditor will also be provided with access to the internet, telephone lines, photocopying facilities, and FAX machines. All work conducted on the Town's premises shall be accomplished between the Town's standard office hours of 9:00 a.m. and 5:00 p.m., Mondays through Fridays, unless otherwise prearranged.
4. Report Preparation – The auditor will be responsible for preparing the audit copies of the financial reports. In addition, the auditor will be responsible for the clerical preparation of the CAFR table of contents, letter of transmittal and all notes to the financial statements. The Town requests 15 bound originals of the final CAFR as well as an electronic copy.

IV. PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS:

A. GENERAL INSTRUCTIONS:

1. RFP Response: In order to be considered for selection, offerors must submit a complete response to this RFP. **One (1) original and three (3) copies** of each proposal must be submitted. Offerors must clearly label the word "ORIGINAL" on the cover and must clearly label all copies with the word "COPY" on the cover. If your proposal contains proprietary information and you are invoking protection from disclosure under § 2.2-4342F of the Code of Virginia, refer to IV.A.2.f below, and submit one (1) redacted copy of the proposal clearly labeled with words "REDACTED COPY" on the cover. No other distribution of the proposal shall be made by the offeror.

2. PROPOSAL PREPARATION:

- a. Proposals shall be signed by an authorized representative of the offeror. All information requested should be submitted. ***Failure to submit all information required may result in town requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected.*** Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Proposals shall be organized in the order in which the requirements are presented in the RFP. All pages of the proposal shall be numbered. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. *Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.*
- d. As used in this RFP, the terms “must”, “shall”, “should” and “may” identify the criticality of requirements. “Must” and “shall” identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as “should” or “may” are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual “must” and “shall” items may not be fully satisfied, but it is the intent to satisfy most, if not all, “must” and “shall” requirements. The inability to satisfy a “must” or “shall” requirement does not automatically remove the Offeror from consideration; however it may seriously affect the overall rating of the Offerors’ proposal.
- e. Each copy of the proposal shall be bound or contained in a single volume when practical. All documentation submitted with the proposal should be contained in that single volume.
- f. Ownership of all data, materials, and documentation originated and prepared for the Town pursuant to the RFP shall belong exclusively to the Town and be subject to public inspection in accordance with the Virginia

Freedom of Information Act. Trade secrets or proprietary information submitted by an offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke protections of § 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of proposal. If, after being given reasonable time the offeror refuses to withdraw an entire classification designation, the proposal will be rejected. (Reference Attachment D)

3. ORAL PRESENTATION: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal. This provides an opportunity for the offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. Oral presentations are an option of the Town and may or may not be conducted.
- B. SPECIFIC PROPOSAL INSTRUCTIONS: Proposals should be as thorough and detailed as possible so that the Town may properly evaluate your capabilities to provide the required services. **Offerors are required to submit the following items as a complete proposal.**
- C. Completed and signed Signature Sheet which includes addenda acknowledgements (if any) and other signature requirements, State Corporation Commission Identification Sheet, Exception Sheet and Vendor Data/Reference Sheet. *Contractor has ten (10) days from notice of award to provide agreement(s), insurance documentation and W-9form.*
- D. Specific items or data requested in RFP.
- E. A written narrative statement to include:
 - a. A statement of the offeror's understanding of the work to be performed.
 - b. Experience in providing the services described herein and experience in providing similar services to a municipality.
- F. Specific plans for providing the proposed services to include:
 - a. Audit approach and work plan

- b. Resumes identifying the type of professional personnel that will be employed to perform the contract. Resumes should describe the experience, education, background, specific technical accomplishments, and any special qualifications applicable to contract performance. Also indicate the percentages of time each senior and higher-level personnel will be on site.
 - c. Geographic location of the firm (and office carrying out the work) relative to the project.
 - d. Describe the firm's participation in the AICPA-sponsored quality control program (peer review).
 - e. A description of the offeror's experience with the GFOA's Certificate of Achievement for Excellence in Financial Reporting Program.
 - f. Any other special experience and qualifications relative to this project desired by the offeror.
 - g. Description of potential conflicts of interest relating to work being performed for private sector clients within the Town of Smithfield.
- G. Independence – The offeror shall provide an affirmative statement that it is independent of the Town as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards and the Ethics Rules of the AICPA.
- H. License to Practice in Virginia – An affirmative statement shall be included that the offeror and all assigned key professional staff are properly licensed to practice as certified public accountants in the Commonwealth of Virginia. Also, an affirmation that the offeror meets any and all other specific qualification requirements imposed by state or local law should be provided.
- I. Commit to Provide Continuity of Assigned Staff – Please indicate what amount of assurance the offeror can give to the Town that the principal supervisory and management staff will continue for the full duration of the engagement.
- J. **NONBINDING COST ESTIMATE** – When requested at the individual discussion stage, the cost estimate shall include estimated number of hours and hourly rates for all job categories that will be used to accomplish work under this contract. All costs for reimbursable items such as travel, printing, and reproduction along with a percentage (%) markup of all reimbursable items provided by an outside source such as printing and courier express must be included. If any subcontractors are to be used, a percentage markup of their cost shall be included.

The auditor's fee must be priced assuming the town will implement any GASB planned reporting changes required over the period of the contract. In proposing fees for the contract period, the offeror should assume the Town could possibly grow in size and complexity. If the offeror believes there are extraordinary changes to the Town that could require a fee increase, these should be identified. The cost estimate is to include fees for each contract year of service, FY2018 through FY2023.

V. EVALUATION AND AWARD CRITERIA:

A. EVALUATION CRITERIA: Proposals shall be evaluated by the Town using the following criteria:

Criteria	Weight
Audit approach and work plan	25
Experience and qualifications of firm and key personnel assigned to perform the services and availability of key personnel. Commitment to provide continuity of audit staff.	20
Experience of firm providing similar services to a municipality.	25
Ability to complete audit by required deadlines	25
RFP contains all submittal requirements.	5
Total	100

B. AWARD OF CONTRACT:

The Town of Smithfield shall engage in individual discussions with two or more offerors deemed to be fully qualified, responsible and best suited among those submitting proposals on the basis of initial response and with emphasis on professional competence, to provide the required services. Repetitive informal interviews shall be permissible. Such offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. At the discussion stage the Town may discuss non-binding estimates of total project costs, including but not limited to, life-cycling costing, and, where appropriate, non-binding estimates of prices for services. Proprietary information from competing offerors shall not be disclosed to the public or to competitors.

At the conclusion of the informal interviews, on the basis of evaluation factors published in the Request for Proposal and all information developed in the selection process to this point, the Town shall select, in the order of preference, two or more offerors whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, beginning with

the offeror ranked first. If a contract satisfactory and advantageous to the Town can be negotiated at a price considered fair and reasonable and pursuant to contractual terms and conditions acceptable to the Town, the award shall be made to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations with the offeror ranked second, and so on until such a contract can be negotiated at a fair and reasonable price.

The Town reserves the right to make multiple awards as a result of this solicitation. Should the Town 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.

The Town of Smithfield may cancel the Request for Proposal or reject proposals at any time prior to an award, and it is not required to furnish a statement of reasons why a particular proposal was not deemed to be the most advantageous (Code of Virginia 2.2-4395D). The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the contractor's proposal as negotiated.

The Town reserves the right to waive minor non-substantive errors in the proposal, to reject any/or all proposals, to award any contract in whole or in part and award the proposal considered to be in the best interest of the Town. The Town also reserves the right to negotiate with the lowest responsive, responsible Offeror should proposal exceed available funds.

VI. CONTRACT TERM:

Contract term will be for three (3) years and may be renewed by the Town upon written agreement by both parties for two (2) additional years and at a reasonable time (approximately 60 days) prior to the expiration.

Price increases may be negotiated only at the time of renewal.

VII. PRE PROPOSAL CONFERENCE:

A non-mandatory preproposal conference will be held on **Monday, December 18th 2017 at 10:00 a.m.** at the Department of Planning, Engineering and Public Works located at Town Hall 310 Institute Street, Smithfield, Virginia. The purpose of this conference is to allow potential offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation.

While attendance at this conference will not be a prerequisite to submitting a proposal, offerors who intend to submit a proposal are encouraged to attend. Bring a copy of this solicitation with you. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

VIII. DELIVERY INSTRUCTIONS:

Proposals shall be in a sealed envelope marked “Professional Auditing Services RFP # 17-11” and delivered no later than **12:00 NOON, THURSDAY, JANUARY 11, 2018** to:

Sonja Eubank
Contracts/Procurement Administrator
310 Institute Street
Smithfield, VA 23430

Any proposals received after the specified time and date will not be considered. All questions shall be directed to Sonja Eubank via email at seubank@smithfieldva.gov. **Deadline for questions will be 5:00 p.m., Thursday, January 4, 2018.**

IX.

GENERAL TERMS AND CONDITIONS

Probation Period:

There shall be a 90 day probation period starting from time of execution of the contract. During this time the Town may cancel the contract at any time for any reason. Verbal and written notification with cause for cancellation will be provided to the contract provider.

Cancellation:

After the probation period, the Town may cancel and terminate any resulting contract for poor contractor performance, in part or in whole, without penalty, upon 60 days written notice to the contractor. Any contract cancellation notice shall not relieve the contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

Public Notice of Award:

Public notice of award will be posted on eVA VBO (eva.virginia.gov) and on the Town website (www.smithfieldva.gov).

Payment and Invoices:

All invoices shall have a payment of net 30 days. All invoices over \$10,000 require Town Council approval and must be submitted by the 15th of each month in order to be included on current month's committee agenda.

Contractual Disputes:

Contractual claims, whether for money or other relief, shall be submitted in writing no later than 60 days after receipt of final payment; however, written notice of the contractor's intention to file a claim shall be given at the time of the occurrence or at the beginning of the work upon which the claim is based.

No written decision denying a claim or addressing issues related to the claim shall be considered a denial of the claim unless the written decision is signed by the public body's chief administrative officer or his designee. The contractor may not institute legal action prior to receipt of the final written decision on the claim unless the public body fails to render a decision within 90 days of submission of the claim. Failure of the public body to render a decision within 90 days shall not result in the contractor being awarded the relief claimed or in any other relief or penalty. The sole remedy for the public body's failure to render a decision within 90 days shall be the contractor's right to institute immediate legal action.

A contractor may not invoke administrative procedures meeting the standards of § 2.2-4365, if available, or institute legal action as provided in § 2.2-4364, prior to receipt of the public body's decision on the claim, unless the public body fails to render such decision within the time specified

in the contract or, if no time is specified, then within the time provided by subsection C (§ 2.2-4363). A failure of the public body to render a final decision within the time provided in subsection C shall be deemed a final decision denying the claim by the public body.

The decision of the public body shall be final and conclusive unless the contractor appeals within six months of the date of the final decision on the claim by the public body by invoking administrative procedures meeting the standards of § 2.2-4365, if available, or in the alternative by instituting legal action as provided in § 2.2-4364.

Applicable Laws and Courts:

This solicitation and any resulting contract shall be governed in all respects by the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the Circuit Court of Isle of Wight County. The parties are encouraged to resolve any issues in controversy arising from the award of this contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures as provided for in Section 2.2-4366 of the Code of Virginia (1950, as amended). The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

Anti-Discrimination:

The Contractor is prohibited from engaging in employment discrimination and must comply fully with the provisions of the Code of Virginia, Section 2.2-4311 (1950, as amended).

The Town of Smithfield does not discriminate on the basis of race, sex, age, handicap, national origin or faith/religious affiliation.

By submitting their proposals/bids, offerors/bidders certify to the Town that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and Section 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. See Code of Virginia, § 2.2-4343(1)(E).

In every contract over \$10,000, the provisions in (1) and (2) below apply:

1. During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contract, will state that such Contractor 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 these requirements.

(d) The requirements of these provisions 1. and 2. are a material part of the contract. If the Contractor violates one of these provisions, the Town may terminate the affected part of this contract for breach, or at its option, the whole contract. Violation of one of these provisions may also result in debarment from State contracting regardless of whether the specific contract is terminated.

(e) In accordance with Executive Order 61 (2017), a prohibition on discrimination by the contractor, in its employment practices, subcontracting practices, and delivery of goods or services, on the basis of race, sex, color, national origin, religion, sexual orientation, gender identity, age, political affiliation, disability, or veteran status, is hereby incorporated in this contract.

2. The Contractor will include the provisions of (1) above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each Sub-Contractor or vendor.

Nondiscrimination of Contractors:

A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, or disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

Ethics in Public Contracting:

By submitting their bids/proposals, bidders/offerors certify that their bids/proposals are made without collusion or fraud and they have not offered or received any kickbacks or inducements from any other bidder/offeror, supplier, manufacturer or subcontractor in connection with their proposal/bid, and they have not conferred on 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, unless consideration of substantially equal or greater value was exchanged.

The bidder/offerer shall identify any actual or potential conflicts of interest that exist, or which may arise if the offeror is recommended for award, and propose who such conflicts might be resolved.

By his/her signature on the documents submitted, each bidder/offeror attest that his/her agents and/or employees, to the best of his/her knowledge and belief, have not in any way colluded with anyone for and on behalf of the offeror, or themselves, to obtain information that would give the offeror an unfair advantage over others, nor has he/she colluded with anyone for and on behalf of the bidder/offeror, or itself, to gain any favoritism in the award of this contract.

Immigration Reform and Control Act of 1986:

By submitting their proposals/bids, offerors/bidders certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

Debarment Status:

By participating in this procurement, the vendor certifies that they are not currently debarred by the Commonwealth of Virginia from submitting a response for the type of goods and/or services covered by this solicitation. Vendor further certifies that they are not debarred from filling any order or accepting any resulting order, or that they are an agent of any person or entity that is currently debarred by the Commonwealth of Virginia.

Antitrust:

By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Town of Smithfield all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and Town of Smithfield, relating to the particular goods or services purchased or acquired by Town of Smithfield under said contract.

Default:

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Town of Smithfield, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Town may have.

Drug-Free Workplace:

During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor'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 Contractor'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 Contractor that the Contractor 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-Contractor

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

Payment Requirements:

All contracts awarded by any agency of local government require the following action to be taken by contractors:

- a. Within seven days after receipt of amounts paid for work performed by the subcontractor under that contract:
 - (1) pay the subcontractor for the proportionate share of the total payment received from the agency attributable to the work performed by the subcontractor under that contract; or
 - (2) notify the agency and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.
 - (3) A subcontractor may contact the contracting agency concerning non-payment and non-notification by the prime contractor. The subcontractor has to show proof that it has not been paid by providing supportive document.
- b. If an individual contractor, provide social security number in order to receive payment.
- c. If a proprietorship, partnership or corporation, provide federal employer identification number.
- d. Pay interest to subcontractors on all amounts owed by the contractor that remain unpaid after seven days following receipt by the contractor of payment from the agency for work performed by the subcontractor under that contract, except for amounts withheld as allowed in (2) above.
- e. Interest shall accrue at the rate of one percent per month.
- f. To include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

NOTE: A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Town of Smithfield. A contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

Background Checks:

The Town of Smithfield reserves the right to request sufficient information from any and all contracted service providers to allow law enforcement background checks on employees working on Town property and public right-of-ways

Qualifications of Contractor:

The Town may make such reasonable investigations as deemed proper and necessary to determine the ability of the bidder/offeror to perform the services/furnish the goods and the bidder/offeror shall furnish to the Town all such information and data for this purpose as may be requested. The Town reserves the right to inspect bidder/offeror's physical facilities prior to award to satisfy questions regarding the bidder/offeror's capabilities. The Town further reserves the right to reject any bid/proposal, if as the evidence submitted by, or investigations of, such bidder/offeror fails to satisfy the Town that such bidder/offeror is properly qualified to carry out obligations of this contract and to provide the services and/or furnish the good contemplated therein.

Licensing:

Contractor shall maintain all license and certifications required by applicable federal, state, and local government entities for provision of the goods and services provided under this contract.

Testing and Inspection:

The Town reserves the right to conduct any test/inspection if may deem advisable to assure goods and services conform to the specifications.

Assignment of Contract:

A contract shall not be assignable by the contractor in whole or in part without written consent by the Town.

Subcontractors:

The Contractor's attention is called to the requirement that not more than fifty percent (50%) of the work shall be subcontracted and the amount of any subcontractors proposed by the contractor in excess of ten percent (10%) of the proposal price shall be identified.

Availability of Funds:

It is understood and agreed between the parties herein that the Town shall be bound hereunder only to the extent of the funds or which may hereafter become available for the purpose of this agreement.

Authorization to Conduct Business in the Commonwealth:

A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the *Virginia Public Procurement Act* shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

W-9 Request for Taxpayer Identification Number and Certification:

The Town of Smithfield is required by IRS regulations to issue Forms 1099 to qualifying companies and individuals. The attached W-9 forms must be submitted with your bid/proposal package to ensure compliance with all IRS reporting obligations.

X.

SPECIAL TERMS AND CONDITIONS

Award of Contract:

The town will award the contract on the basis of competitive negotiation with the most qualified contractors consistent with the Virginia Public Procurement Act Section 2.2-4300. Contract awards may be made to more than one offeror if in its sole discretion is deemed to be in the best interest of the Town.

The Town reserves the right to waive minor non-substantive errors in the proposal, to reject any/or all proposals, to award any contract in whole or in part and award the proposal considered to be in the best interest of the Town. The Town also reserves the right to negotiate with the lowest responsive, responsible Offeror should proposal exceed available funds.

Renewal of Contract:

This contract may be renewed by the Town upon written agreement by both parties for two (2) additional years and at a reasonable time (approximately 60 days) prior to the expiration. Price increases may be negotiated only at the time of renewal.

Virginia State Corporation Commission Identification Number:

Pursuant to Code of Virginia, §2.2-4311.2 subsection B, an Offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its proposal the identification number issued to it by the State Corporation Commission (SCC). Any Offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its proposal a statement describing why the Offeror is not required to be so authorized. Indicate the above information on the SCC Form provided. Contractor agrees that the process by which compliance with Titles 13.1 and 50 is checked during the solicitation stage (including without limitation the SCC Form provided) is streamlined and not definitive, and the Town's use and acceptance of such form, or its acceptance of Contractor's statement describing why the Offeror was not legally required to be authorized to transact business in the Commonwealth, shall not be conclusive of the issue and shall not be relied upon by the Contractor as demonstrating compliance.

Small, Women, and Minority-Owned Businesses (SWAM):

The Town of Smithfield recognizes and acknowledges the importance of small, women-owned, and minority-owned businesses and the challenges they face to compete in the open market. The Town is committed to cooperating with prevailing law as it contributes to the preservation and strengthening of such businesses.

For those contracts in which prime contractors have made SWaM commitments, the Town will record those SWaM businesses in a database as a means to track and identify such businesses. The prime contractor will be required to provide information regarding expenditures to second-tier SWaM businesses that were utilized on the specific contract. The prime contractor must provide the name of the second-tier firm, business classification of the firm (e.g. minority-owned), and the dollar amount paid. The reported information will be compared with the prime contractor's commitment to determine whether the prime contractor is fulfilling its contractual obligations.

Prime contractors will calculate expenditures with SWaM businesses on a monthly basis and report to the Virginia Department of Small Business and Supplier Diversity (DSBSD) on a quarterly basis.

Payments are withheld for prime contractors who fail to report information on a timely basis (until the information is reported). Prime contractors that do not meet their SWaM commitments may be held in contractual default.

Prime Contractor Responsibilities:

The contractor shall be responsible for completely supervising and directing work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime contractor. The contractor agrees that he is fully responsible for the negligent acts and omissions of their subcontractors and of persons employed by them as he is for the negligent acts and omissions of his own employees.

XI.

ATTACHMENTS

ATTACHMENT A
SIGNATURE SHEET

To receive consideration for award, this signature sheet MUST be returned to the Contract Officer as it shall be a part of your response.

Bidder/Offeror has examined copies of all the Bid/Proposal Documents including the following addenda:

Date:	Number:
_____	_____
_____	_____
_____	_____

Signature Requirement: My signature certifies that the bid/proposal as submitted complies with all Terms and Conditions as set forth in this IFB/RFP.

My signature further certifies that this bid/proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a bid/proposal for the same material, supplies or equipment, and is in all respects fair and without collusion or fraud. I understand collusion is a violation of the Virginia Governmental Fraud Act and Federal Law and can result in fines, prison sentences and civil damages awards. I agree to abide by all conditions of this bid/proposal and certify that I am authorized to sign this bid/proposal for the bidder/offeror.

By signing this bid/proposal, Contractor certifies that they are not currently debarred by the Commonwealth of Virginia or any County, City or Town from submitting bids/proposals for the type of service covered in this solicitation, nor are they an agent of any person or entity that is currently so debarred.

If there are any parts of the terms and conditions that your company cannot meet, please provide specific information on an attached page.

Company Name: _____

Address: _____

Signature _____ Date _____

Name (type or print): _____

Official Title: _____

Federal Tax ID Number: _____

Telephone Number: _____ Fax Number: _____

E-Mail: _____

ATTACHMENT B

EXCEPTION PAGE

- **FAILURE TO CHECK APPROPRIATE STATEMENT AND SIGN THIS PAGE MAY RESULT IN PROPOSAL BEING REJECTED**

EXCEPTIONS:

Vendors must sign the appropriate statement below, as applicable:

- () I understand and agree to all terms, conditions, requirements, and specifications stated herein.

Firm: _____

Signature: _____

- () I take exception to terms, conditions, requirements, or specifications stated herein (vendor must itemize all exceptions below, and return with this RFP):

Firm: _____

Signature: _____

Vendors should note that any exceptions taken from the stated terms and / or specifications may be cause for their submittal to be deemed "non-responsive", risking the rejection of their submittal.

ATTACHMENT C
VENDOR DATA SHEET

Note: The following information is required as part of your response to this solicitation.

1. Qualifications: The vendor must have the capability and capacity in all respects to satisfy fully all of the contractual requirements.

2. Vendor's Primary Contact:

Name: _____ Phone: _____

Title: _____ Email: _____

3. Years in Business: Indicate the length of time you have been in business providing this type of service or good.

_____ Years _____ Months

4. Recent Accounts/References: Provide at least three (3) recent accounts/references, either commercial or governmental, that your company is servicing, has serviced, or has provided similar goods. Indicate length of the service and the name, address and telephone number of the point of contact.

Company: _____ Contact: _____

Phone: _____ Email: _____

Dates of Service: _____ Project: _____

Company: _____ Contact: _____

Phone: _____ Email: _____

Dates of Service: _____ Project: _____

Company: _____ Contact: _____

Phone: _____ Email: _____

Dates of Service: _____ Project: _____

ATTACHMENT E

STATE CORPORATION COMMISSION FORM

Virginia State Corporation Commission ("SCC") registration information: The undersigned Offeror:

is a corporation or other business entity with the following SCC identification number:

-OR-

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust

-OR-

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the offeror in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from offeror's out-of-state location)

-OR-

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned offeror's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of §13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for bids (the Town reserves the right to determine in its sole discretion whether to allow such waiver):

Signature: _____ **Date:** _____

Name: _____

Print

Title: _____

Name of Firm: _____

ATTACHMENT F

INSURANCE REQUIREMENTS

Insurance: The contractor shall maintain adequate liability insurance, which shall protect and hold harmless the Town of Smithfield, Virginia, and its officials from all suits and actions of every kind and description arising from injury or damage to persons and property in the prosecution of said work or in failure to properly safeguard same, and from all claims arising under workers' compensation laws. The contractor shall furnish proof of insurance prior to commencement of services. Separate forms which name the Town as additional insured must be included with the Certificate of Insurance.

The Commonwealth of Virginia requires all contractors and subcontractors who perform work on behalf of the Town to obtain and maintain workers' compensation insurance. Evidence of coverage needs to be provided prior to commencement of work.

Contractor shall have ten (10) days from notice of intent to award to provide insurance documentation. Failure to provide the Certificate and forms within this period may be cause for the Town to award a contract to the next responsive bidder, and hold the original contractor liable for excess costs.

TYPE OF INSURANCE COVERAGE

LIMITS

- 1 a. *Workers' Compensation* and
b. *Employer's Liability*

Statutory
\$500,000 each accident
\$500,000 each employee
\$500,000 policy limit

The contractor will maintain workers' compensation coverage in compliance with the laws of the Commonwealth of Virginia. The coverage must have statutory limits and be with an insurer licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. As an alternative, it is acceptable for the contractor to be insured by a group self-insurance association that is licensed by the Virginia Bureau of Insurance. The contractor will also carry employers liability insurance with a limit of at least \$500,000 bodily injury by accident/\$500,000 bodily injury by disease policy limit/\$500,000 bodily injury by disease each employee.

2. *General Liability* including XCU
& Contractual Liability

\$1,000,000 each Occurrence
\$2,000,000 Aggregate

The contractor will maintain a general liability policy with \$1,000,000 combined single limits. Coverage is to be on an occurrence basis with an insurer licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. The insurer must list the Town of Smithfield as an additional insured. The endorsement must be issued by the insurance company. The contract must state the insurance provided in the additional insured endorsement is primary without contribution from other insurance available to the additional insured. A notation on the certificate of insurance referencing the additional insured status is not sufficient.

3. *Automobile Liability*

\$1,000,000 each Occurrence

The contractor will maintain automobile liability insurance with limits of at least \$1,000,000. The coverage is to be written with a symbol "1". The insurer must be licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better.

4. *Excess/Umbrella*

\$5,000,000 each Occurrence

5. *Professional Liability*

\$1,000,000 each Occurrence

It is preferred that the coverage be on an occurrence basis. If the policy is on a claims made basis, this should be noted. If the contractor has professional liability insurance on a claims made basis, agreement must be made that coverage will be maintained for at least three years beyond the expiration date of the policy in force at the time of this contract. Coverage is to be with a company licensed to conduct business in the Commonwealth of Virginia and have an A. M. Best rating of A- or better.

Exceptions may be made to these terms and limits. However, all exceptions must be presented in a clear manner to the Town of Smithfield prior to the acceptance of the contract/bid. Exceptions will be run through the Town attorney and/or the Town's insurance carrier.

**ATTACHMENT G
AGREEMENT**

THIS AGREEMENT, made and entered into this day of _____ 2018, by and between the TOWN OF SMITHFIELD, VIRGINIA, whose principal office is 310 Institute Street, Smithfield, Virginia 23430 hereinafter called "OWNER", party of the first part, and _____ hereinafter referred to as "CONTRACTOR", party of the second part.

The CONTRACTOR did, on the ____ day of _____ 2018, submit a proposal to perform the services stipulated in accordance with plans and specifications prepared by the OWNER for the project entitled _____, which by reference is made a part hereof.

It is mutually understood and agreed by the parties hereto that the Request for Proposal inviting Contractors to submit proposals as published, Statement of Needs, General Terms and Conditions, Special Terms and Conditions, Contract Agreement, Hold Harmless Agreement, Insurance Requirements, all proceedings by the governing body of the OWNER pertaining to the subject matter of this Contract, all of which documents are hereinafter referred to as Contract Documents and are a part of this Contract by reference the same as if each had been fully set out and attached hereto.

In consideration of the following mutual agreements and covenants to be kept by each party:

- a. The CONTRACTOR agrees to furnish and pay for all labor, tools, equipment, machinery, supplies, facilities, superintendence, insurance, taxes, utilities and services necessary to perform all items set forth in the written Contract Documents hereto attached and made a part hereof in strict compliance with the Contract Documents.
- b. Invoice payments for work completed under this contract shall be made in strict accordance with the project specifications and any special conditions attached thereto.
- c. It is understood and agreed that all work shall be accomplished in strict compliance with the provisions of the Contract Documents. It is understood and agreed by both the Town and the Contractor that any modifications or additions to this agreement shall be made only by the full execution of the Town's standard contract change order form. Furthermore, it is understood and agreed by both parties that any work done by the CONTRACTOR on any such modification or addition to this AGREEMENT prior to the Town's execution of its standard Contract Change Order form shall be at the total risk of the CONTRACTOR and said work shall not be compensated by the Town.
- d. The parties agree that damages due to delay in completion of the work are uncertain and not readily capable of ascertainment. Accordingly, if the CONTRACTOR shall fail to complete the work or any part thereof within the time stipulated, or an applicable extension thereof, the CONTRACTOR shall pay to the OWNER as fixed and agreed, liquidated damages for each calendar day of delay until the delayed work is corrected or accepted. Liquidated damages shall be an amount equivalent to Contract Sum divided by the total number of days from the date of the

notice to proceed until the final completion date times the total number of days that completion is delayed past the final date of completion as required by the contract. The parties agree that this sum is proportionate to the probable loss and is not a penalty.

- (a) The CONTRACTOR expressly waives any defense as to the validity of any liquidated damages stated in this Agreement as they may appear on the grounds that such liquidated damages are void as penalties or are not reasonably related to actual damages.
- (b) Termination for Default: In case of default by the contractor for failure to deliver or perform in accordance with the contract specifications or terms and conditions, the Town may procure the articles or services from other sources and hold the defaulting contractor responsible for any resulting additional purchase and administrative costs. The town will normally repurchase from the next lowest bidder or purchase competitively by resolicitation. If the repurchase results in increased costs to the Town, a letter will be sent to the defaulted contractor requiring payment for additional costs.

IN WITNESS WHEREOF, the parties hereto have executed and sealed this Agreement as of the day and year first above written.

(I) OWNER: Town of Smithfield, Virginia

By: _____
Peter M. Stephenson
Town Manager
Date _____

ATTEST:

By: _____
Date _____

(II) CONTRACTOR:

By: _____
Date _____

Title: _____

ATTEST:

By: _____
Date _____

Title: _____

APPROVED AS TO FORM:

By: _____
William H. Riddick
Town Attorney
Date _____

ATTACHMENT H

HOLD HARMLESS AGREEMENT

KNOW ALL MEN BY THESE PRESENT, _____
hereinafter called CONTRACTOR has entered into a CONTRACT with TOWN OF SMITHFIELD,
VIRGINIA, hereinafter called the OWNER, dated for
Project titled _____

NOW, THEREFORE, in consideration of the award of said Contract to the CONTRACTOR, as well as other good and valuable considerations, CONTRACTOR, intending to be legally bound hereby, agrees to indemnify and save harmless TOWN OF SMITHFIELD from and against all claims, damages, losses and expenses (including attorney's fees) arising out of or resulting from the performance of the work, provided that such claim, damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury or destruction of property (real or personal) including loss of use resulting therefrom and (b) is also caused in whole or in part by an act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed or controlled by any one of them regardless of whether or not said claim, damage, loss or expense is caused in part by Owner.

In any and all claims against Owner, or any of their agents or employees by an employee of the Contractor or any subcontractor or anyone directly or indirectly employed by any of them or any for whose acts any one or more of them may be liable, the indemnification's obligation of the Contractor hereunder shall not be limited in any way by any limits on the amount or type of damages, compensation or benefits payable by or for the Contractor or any subcontractor under the Workmen's Compensation Act, or any disability benefit acts or any other employee benefit act of the Commonwealth of Virginia or any other State.

CONTRACTOR:

BY: _____

DATE: _____

ATTEST:

BY: _____

DATE: _____

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification (required): <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶	
	<input type="checkbox"/> Other (see instructions) ▶	
Address (number, street, and apt. or suite no.)		Requester's name and address (optional)
City, state, and ZIP code		Town of Smithfield P.O. Box 246 Smithfield, VA 23431
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.