

RFP Q&A
Date: August 25, 2017

QUESTIONS AND ANSWERS

The following questions and answers are provided as a matter of information to clarify issues raised about the RFP.

Question: Are auditor reports to be issued to include CAS800 **and** S.9100? Can the respondent provide options in pricing based on the 2 options/ provide a recommendation re: what best suits the objectives?

Answer: Only pricing for S.9100 will be evaluated.

Question: How many references are required to accompany the proposal?

Answer: Two to three references would be acceptable.

Question: As per section 4.1, submissions must include cost breakdowns for

- 1) staff time, 2) labour, and 3) site visits (with travel and accommodation costs listed separately) for **each** program;
- and total costs for **each** audit

What is the difference between a program and an audit? are they referring to the same thing?

Answer: Program and audit are synonymous in this context. We require the breakdown of costs to audit each municipal program (travel, accommodation, staff time etc.) and the cumulative cost to audit that specific municipal program.

Question: Confirm the rationale that revenue would be zero in certain regions; e.g., no means for fee recovery on recyclables or lack of reporting robustness (or other).

Answer: Blue Box contracts are structured differently depending on the relationship with the contractor and the region a municipal program is located in. A municipal program may have zero revenue if they only pay for collection services (therefore a private company/other municipal program covers the cost to process materials and will retain the revenue). Municipal programs may have an arrangement with their contractor whereby the cost for collection and/or processing is reduced to account for revenue.

See Addendum #1 for the municipal program names.

Question: Will there be any type of priority sequencing of the 20 reviews based on data reported or otherwise which has raised a red flag or questions around the accuracy of reporting revenue / costs?

Answer: All 20 municipal programs selected for an audit will be given the same level of priority.

Question: Will any peer comparison information (per Module 2, objective 4) of the Datacall play into how the vendor audit are handled or is this intended for reporting entity reference only?

Answer: No peer comparison information will factor into a municipal program's audit, only information they directly report into the Datacall. Objective 4 is calculated by RPRA; therefore, this information does not need to be verified during the audit.

Question: Given that the RFP notes 9100 specified procedures reviews, confirm they are not anticipating a formal opinion on each of the 20 audits.

Answer: For the purpose of evaluating the proposals, please assume no formal opinion is required.

Question: Should the auditor intend to use a risk-based approach for the specified procedures; e.g., focus more in depth on key areas as defined by a preliminary risk assessment.

Answer: Yes, a risk assessment will be conducted with RPRA and the successful vendor.

Question: Is the intent to conduct any type of sampling to determine whether materials are being reported accurately by type, or deducted based on not being blue box eligible (e.g., recyclability, WEEE, tires, MHSW, IC&I)

Answer: No waste material sampling is required.

Question: How are these entities able to deduct the IC&I? Do they collect from both residences and commercial buildings? And, even if so, how would they distinguish those percentages per section 2.3 of Appendix D?

Answer: Some municipal programs collect from both residential and commercial (IC&I) sectors while others only collect from residential. Those that do co-collect IC&I use various methods to allocate the percent allocation depending on how the program operates and the contract type (i.e. comparing the number of stops for IC&I versus total number of collection stops).

Section 2.3 (Promotion and Education) mostly relates to the residential sector so P&E for other waste diversion activities (i.e. organics) needs to be excluded from reported costs. Again, each municipal program calculates this differently depending on internal reporting practices.

Question: Can you explain about defining cost vs. revenue? Some of the cost sections in Appendix D have titles like "blue box cost – other revenue."

Answer: Cost is any expenses related to the collection, depot management/transfer and processing of Blue Box materials (including capital expenditures). Revenue is for any payment received for the sale of Blue Box materials. Examples of other revenue includes rebates and sale of blue boxes/carts.

Revenue and costs are reported in the same section of the Datacall separated by contract/vendor.

END OF Q&A