



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Special Meeting of the Audit and Risk Committee

September 4, 2024

1:00 p.m.

Microsoft Teams Meeting

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Phone Conference ID: 953 899 133#

1. **Call to Order**..... Floyd Holt, Chairperson
2. **Roll Call**..... Michelle Rhodd, Board Secretary
3. **Action Item** John Papajohn
Wayne Griffith
 - [Contract No. 10487, Internal Audit Services, Cherry Bekaert Advisory LLC](#)
4. **Executive Session*** Floyd Holt, Chairperson
5. **Adjournment**..... Floyd Holt, Chairperson

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov

¹The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

**Internal Auditing Services
(Joint Use – Indirect)**

Approval to execute a new contract award for Internal Auditing Services in the amount of \$3,927,906.00; the contract term is for five (5) years with three (3) base years and two (2) one-year options.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Cherry Bekaert Advisory LLC 3800 Glenwood Ave. Suite 200, Raleigh, NC. 27612	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$2,298,328.00
Base Period Contract Dates:	10-01-2024 – 09-30-2027
No. of Option Years in Contract:	2
Total Option Years 1-2 Value:	\$1,629,578.00
Option Years 1-2 Dates:	10-01-2027 – 09-30-2029
Total Number of Proposals	6

Purpose of the Contract:

This contract provides internal auditing services for DC Water.

Contract Scope:

The services include but are not limited to the following:

- Provide and operate a formalized process of risk assessment and planning, operational engagement, and audit management
- Facilitate achieving organizational objectives in a wide range of areas, including operations, financial reporting and regulatory compliance
- Provide an analysis of existing procedures through interviews with key managers, analysis of processes and information technology systems used in day-to-day operations, and comparison to industry "best practices."
- Administer DC Water’s fraud hotline system

Supplier Selection:

Six firms submitted proposals in response to an open-market solicitation for this contract released in March 2024. They included Cherry Bekaert Advisory LLC., Deloitte, Sikich, RSM, BDO, and CohnReznick. Two firms were downselected. Bidder’s meetings were conducted individually with both Cherry Bekaert Advisory LLC and Deloitte to discuss their proposals. The evaluation team determined the technical approach, pricing, and contract terms offered by Cherry Bekaert as the best value for DC Water.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	10487
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Operating	Department:	Internal Audit
Project Area:	DC Water Wide	Department Head:	Wayne Griffith


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	66.78%	\$2,623,055.63
Washington Suburban Sanitary Commission	24.12%	\$947,410.93
Fairfax County	5.87%	\$230,568.08
Loudoun Water	2.82%	\$110,766.95
Other (PI)	0.41%	\$16,104.41
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,927,906.00

Signed by: 8/28/2024

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Wayne Griffith Date
 Chief Administration Officer and
 Executive Vice-President

DocuSigned by: 8/28/2024

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Korey Gray Date
 Vice-President of Compliance and
 Interim Chief Procurement Officer

DocuSigned by: 8/29/2024

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Matthew T. Brown Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance

David L. Gadis Date
 CEO and General Manager