

REQUEST

FOR

QUALIFICATIONS

INTERNAL AUDIT SERVICES

RFQ NUMBER 25-0010

DUE DATE:

APRIL 10, 2025

TRANSMITTAL LETTER

March 5, 2025

Dear Respondent,

The Memphis-Shelby County Airport Authority (Authority) is seeking a qualified Respondent to provide Internal Audit Services for the Authority. This Request for Qualifications (RFQ) is under the direction of the CEO.

The Procurement Department is responsible for coordinating all communications between the Authority and Respondents. The RFQ limits the manner, method, and type of communications that the Authority and Respondents may have once an RFQ process is initiated to ensure that the process is fair and impartial. Please review the RFQ carefully and abide by all required deadlines, dates, and terms.

All Respondents are hereby notified that all updates, addenda and additional information, if any, shall be posted to the Authority website www.flymemphis.com, and Respondents are responsible for checking the Authority website up to the time of the RFQ submission deadline.

The Authority reserves the right to reject any or all responses to this RFQ in whole or in part; to waive any informalities, technicalities, or omissions therein; and/or to cancel this process at any time. The Authority also reserves the right to reject any response when a parent, subsidiary, affiliate, or predecessor in interest of the Respondent has pending litigation or claims with the Authority, or if any response includes a proposed subcontractor or supplier that has pending litigation or claims with the Authority, if the Authority determines, in its sole discretion, such litigation or claims may adversely affect the ability of the parties to work efficiently and effectively under this RFQ, or for any other reason as determined by the Authority. Any such responses will be returned to the Respondent. All Respondents must use forms provided by the Authority.

No Respondent may withdraw an opened Response without the Authority's consent.

The Authority shall give a preference to businesses located in or near the County of Shelby, State of Tennessee in awarding contracts and making purchases whenever the application of such a preference is reasonable in light of the valuation points/dollar-value of the proposal/bid received in relation to such valuation points/expenditures and pursuant to the terms and conditions that are outlined in the adopted policy as amended.

Should you have questions regarding this RFQ, the RFQ sets forth a process by which you may submit your questions and receive answers. Thank you for your participation in this process. We look forward to receiving your response.

Sincerely,

Kenneth Parrish, ACE
Director of Procurement
Memphis-Shelby County Airport Authority

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1 BACKGROUND

The Authority owns and operates Memphis International Airport (MEM), Charles Baker Airport and General DeWitt Spain Airport. Memphis International Airport is located in Shelby County about 13 miles southeast of downtown Memphis. Memphis International Airport is the principal air carrier airport serving west Tennessee, north Mississippi, southeast Missouri, and east Arkansas. Memphis International Airport is also the principal hub for FedEx, making MEM the world’s second busiest cargo airport and the single largest economic engine in the Mid-South.

The Airport is primarily an origin and destination (O&D) airport. MEM served a record 4.9 million O&D passengers in 2024.

The Airport is located on 4,640 acres of land in the County and includes a terminal complex of approximately one million square feet, and four other buildings containing approximately 100,000 square feet, which are used by air carriers and all-cargo carriers as transfer facilities for cargo. These buildings are adjacent to the terminal complex and are separate from FedEx facilities that contain approximately 3.5 million square feet and occupy approximately 518 acres.

2 REQUEST FOR QUALIFICATIONS TIMELINE, COMMUNICATIONS AND PROCESS

2.1 RFQ Timeline

While this timeline sets forth important dates for this Request for Qualifications (RFQ) process, the entire RFQ should be consulted for additional information and requirements concerning these deadlines. The schedule below is subject to change without liability to the Authority.

All times listed are Memphis, Tennessee Local Time (CST).

March 5, 2025	Publication of Legal Notice
March 5, 2025	Release of RFQ Documents
March 20, 2025	Pre-proposal Meeting 1:00 PM
March 27, 2025	Questions Due from Respondents by 4:30 p.m.
April 03, 2025	Questions and Answers posted on Authority website by 4:30 PM
April 10, 2025	Response Due to Authority by 2:00 PM
May 07, 2025	Oral Interviews with Selected Respondents
June 01, 2025	Anticipated Contract Commencement Date

2.2 Communication with the Authority during this RFQ

The Authority has designated Kenneth Parrish, Director of Procurement, to be responsible for coordinating communications between the Authority and Respondents. Respondents should direct all communications the Procurement Department via email at Bids@flymemphis.com. Respondents are further advised that any communication, either verbally or in writing, direct or indirect, subsequent to the date of issuance of the RFQ by a prospective Respondent or any of its owners, officers, employees, or agents, or any individual or entity acting on its behalf, with any member of the Board of Commissioners or any officer or employee of the Authority, except as provided in this section, is **strictly prohibited** and may be cause for disqualification of the prospective Respondent. The only exception to this requirement is for communications between prospective Respondents and the Authority's in-house and outside legal counsel to further client communications on pending matters that are not related to this RFQ. This restriction on communication will govern until the RFQ process has been completed and a contract has been fully executed for these services. Please note that the Authority prefers all communication to be in writing.

2.3 Addenda

All updates, addenda and other information, if any, shall be posted to the Authority's website, www.flymemphis.com. Respondents are responsible for checking the Authority's website up to the time of the RFQ submission deadline.

2.4 Pre-Proposal Conference

A pre-proposal conference will be held March 20, 2025, at 1:00 PM at the Authority's Board Room on the Mezzanine Level, Terminal B of the Memphis International Airport, 2491 Winchester Road, Memphis, TN 38116. All attendees must register at www.eventbrite.com.

Respondents may also join the conference via Teams at the following link:

[Join the meeting now](#)

Meeting ID: 236 753 650 285

Passcode: B3BJ2za3

2.5 Questions Regarding RFQ

Questions regarding this RFQ must be submitted in written form via email to Kenneth Parrish, at Bids@flymemphis.com. Questions will be accepted until 4:30 PM, March 27, 2025. Answers will be provided by 4:30 PM, April 03, 2025. Answers will only be posted on the website, www.flymemphis.com.

2.6 RFQ and Response Submissions

A copy of this RFQ will be distributed to prospective Respondents. This RFQ also will be available on the Authority's website, www.flymemphis.com.

Respondents shall prepare responses in compliance with all the instructions outlined in this RFQ, providing the requested information and returning the completed document to the Authority by the submission deadline.

All responses shall be sealed and clearly marked with the Respondent's name and address and the words "Internal Audit Services" and "RFQ Number 25-0010" on the outside of the envelope or container. The Respondent shall allow sufficient time to ensure receipt of the response. It is the sole responsibility of the Respondent to have the response delivered to the Authority at the address below before the closing hour and date given in this RFQ.

Respondents should note that FedEx First Overnight® and UPS Next Day Air Early AM® shipments typically arrive before normal Authority business hours of 7:00 AM – 3:30 PM Local Time. Should you choose to ship by one of these methods, and your shipment arrives before the Authority's business hours, FedEx or UPS will not deliver the package until the following day. Any response tendered for delivery to the Authority must be in the Authority's possession prior to the opening date and time. Any delivery received after the submission deadline will be accepted and returned to the Respondent unopened.

Responses must be received at the address below **before 2:00 PM Local Time on April 10, 2025:**

Memphis-Shelby County Airport Authority
Procurement Department-Receiving Dock
4150 Louis Carruthers Drive
Memphis, Tennessee 38118
Attn: Request For Qualifications, Internal Audit Services ,
RFQ Number 25-0010

A listing of all proposers responding to Requests for Proposals and Requests for Qualifications will be posted to the Authority's website one (1) hour after the response deadline. Responses to Requests for Proposals and Requests for Qualifications will not be publicly opened.

The Authority reserves the right to extend the opening date or time provided no RFQ responses have been previously opened. Late responses will NOT be considered and will be returned to the Respondent unopened.

2.7 Rejection of Responses / Cancellation of RFQ

The Authority reserves the right to reject any or all responses to this RFQ, including but not limited to, any response that contains exceptions to the minimum requirements and/or specifications or fails to meet the minimum requirements and/or specifications in whole or in part. Responses containing terms and conditions other than those specified herein may be considered nonresponsive. Partial or incomplete responses may be rejected. The Authority reserves the right to reject responses or penalize Respondents who do not follow the requirements of the RFQ and, likewise, to waive any informalities, technicalities, or omissions therein. Responses having any erasures or corrections shall be initialed in ink by the Respondent. Unsigned responses will be considered nonresponsive.

The Authority also reserves the right to reject any response when a parent, subsidiary, affiliate, or predecessor in interest of the Respondent has pending litigation or claims with the Authority, or if any response includes a proposed subcontractor or supplier that has pending litigation or claims with the Authority, if the Authority determines, in its sole discretion, such litigation or claims may adversely affect the ability of the parties to work efficiently and effectively under any contract resulting from this RFQ, or for any other reason as determined by the Authority. The Authority further reserves the right to cancel this RFQ process at any time.

2.8 RFQ to Bind Respondent

The response must contain the signature of a duly authorized officer of the Respondent with the legal right to bind the Respondent. All submitted responses shall be binding for a period of one hundred twenty (120) days from the response submission deadline.

2.9 Sole Responsibility

The successful Respondent, if any, shall assume responsibility for meeting all requirements agreed to in the response to this RFQ.

2.10 Sole Contact

The Authority will consider the selected Respondent to be the sole point of contact with regard to contractual matters and the payment of any and all charges resulting from Contract obligations. Upon Contract award, the selected Respondent will be directly responsible for all of its subcontractors, if any, and the selected Respondent shall designate a project manager who will serve as the point of contact for the Authority for billing, additions, deletions, or any other requests or inquiries.

2.11 Response Modification or Withdrawal

Responses may be modified or withdrawn in writing prior to the deadline for RFQ submission. After the submission deadline, no modifications will be accepted, and responses may only be withdrawn with the Authority's consent.

2.12 Response Costs

All costs incurred in preparing the response to this RFQ, participating in this process and negotiating with the Authority, whether or not a contract is awarded, shall be solely the responsibility of the Respondent. All materials and documents submitted by Respondents in response to this RFQ become the property of the Authority and shall not be returned to the Respondents.

2.13 Protest

Any protest must be filed in writing and received by the Authority within seven (7) calendar days of the date of the occurrence of the event that is the subject of the protest, *e.g.*, the opening of responses, the award, or a determination that a respondent is not responsible or that a response is not responsive.

Any protest must be delivered to the Authority during the business hours of 7:00 AM – 3:30 PM Local Time in order to be deemed to be received by the Authority as required under this Section. A protest must be submitted in hard copy and addressed as follows:

Memphis-Shelby County Airport Authority
Attention: Director of Procurement
4150 Louis Carruthers Drive
Memphis, Tennessee 38118

Any protest sent by telegraphic or facsimile transmission or by email or other electronic means will not meet the filing requirements set forth herein and will not be deemed to be received by the Authority.

No objections with regard to the application, meaning, or interpretation of the specifications contained herein will be considered after the opening of the subject RFQ.

3 RESPONDENT ASSURANCES

By submitting the RFQ response and participating in this process, the Respondent asserts that he/she has read, understands and agrees to the terms and conditions contained in this RFQ document and has full authority to submit the written and verbal responses on behalf of the entity for whom they are acting and that the information submitted to the Authority in the response is true, accurate and complete to the fullest extent possible and to the best of his/her knowledge and abilities. The Respondent further certifies:

3.1 No Hidden Parties

Response is genuine and that no other person, firm, or corporation than the one herein named has any interest herein or in the Contract proposed to be taken; that it is made without any connection with any person, firm, or corporation making a response for the same work; and that it is in all respects fair as to each item proposed and to the response as a whole;

3.2 No Collusion in Any Form

Respondent has not sought by collusion or fraud to obtain any advantage over any other Respondent or over the Authority;

3.3 No Inducement to Submit False Proposals

Respondent has not directly or indirectly induced or solicited any other Respondent to submit a false or sham proposal;

3.4 No Inducement to Refrain from Response

Respondent has not induced or solicited any other person, firm, or corporation to refrain from submitting a proposal;

3.5 No Financial Interest

No Authority employee or member of the Board of Commissioners, Memphis City Council, or Shelby County Commission is directly or indirectly interested herein, or in the furnishing of the service or doing the work to which it relates; or in any portion thereof. Respondent asserts that no Authority employee or member of the Board of Commissioners, Memphis City Council, or Shelby County Commission shall receive or has received any financial benefit arising out of this RFQ or its Contract, if awarded, either directly or indirectly. Further, any fees paid to any person or entity by Respondent for assistance in obtaining the Contract with the Authority must be fully disclosed to the Authority in writing.

3.6 No Contact

Respondent has not had any communications, either verbally or in writing, directly or indirectly, subsequent to the date of issuance of the RFQ by any of its owners, officers, employees, or agents, or any individual or entity acting on its behalf, with any member of the Board of Commissioners or any officer or employee of the Authority. Respondent understands and agrees any communication except as provided in Section 2.2 of the RFQ is strictly prohibited and may be cause for disqualification of the prospective Respondent.

3.7 Addenda

Respondent has reviewed and agrees to any and all Addenda, if applicable, posted by the Authority on its website, www.flymemphis.com, in regard to this RFQ. The information contained in all Addenda that may be issued shall become a part of this RFQ and, to the extent specified, shall amend and supersede the similar information in the original RFQ document. All other terms, provisions, and conditions of the RFQ shall remain unchanged.

4 STATE OF TENNESSEE PURCHASING PROVISIONS

Iran Divestment. By submission of a response, each bidder and each person signing on behalf of any respondent certifies, and in the case of a joint response each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each respondent is not on the list [of persons engaging in investment activities in Iran] created pursuant to T.C.A. § 12-12-106.

No Boycott of Israel. Pursuant to T.C.A. § 12-4-119, by submission of a response, each respondent certifies that their company is not currently engaged in, and will not for the duration of services herein engage in, a boycott of Israel.

5 BUY LOCAL INITIATIVES

The Authority shall give a preference to businesses with their principal place of business in the County of Shelby, State of Tennessee in awarding contracts and making purchases whenever the application of such a preference is reasonable in light of the valuation points of the statement that is received in relation to such valuation points and pursuant to the terms and conditions that are outlined in the adopted policy as amended. If applicable, the Authority may also give a preference to businesses operating in the County of Shelby, State of Tennessee, or to businesses with their principal place of business in the Memphis, TN-MS-AR Metropolitan Statistical Area.

6 TITLE VI SOLICITATION NOTICE

The Authority, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunities to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

7 INSURANCE REQUIREMENTS

The successful Respondent shall submit evidence of required insurance on an original ACORD certificate or comparable insurance certificate form(s) acceptable to the Authority, with required endorsements attached, the earlier of fifteen (15) working days following award notification or prior to the scheduled commencement of work. Failure to submit the required document(s) may result in rescinding the award. The Contract may thereafter be awarded to the next qualified Respondent. A certificate of insurance is not required at the time of the response; however, an approved insurance certificate and amendatory endorsements are required to be on file prior to the start of the work. In addition, a copy of the policy or policies shall be provided by the successful Respondent upon request.

The insurance requirements are established in Section 17 of the Sample Contract, which is set forth in Section 15 below.

8 FEDERAL FAIR LABOR STANDARDS ACT

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The contractor has full responsibility to monitor compliance to the referenced statute or regulation. The contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

9 SECURITY AND ACCESS

9.1 General Requirements

The successful Respondent shall comply with all Airport Security requirements concerning access to restricted areas of the buildings or airfield. Access to certain areas of the buildings may be restricted to off-peak working or operational hours or other reasons, and the Respondent will conduct their work accordingly. If the Authority determines that any employee(s) of the successful Respondent should not work on the Authority's property or on the Contract, the successful Respondent will immediately comply with the Authority's request to remove employee(s).

The successful Respondent and all employees performing duties under the Contract shall conform to all applicable aviation security procedures regarding the issue, wearing, replacement, and return of personal identification badges, as defined in the Airport Security Program (available through the Airport Identification Office) approved by the Transportation Security Administration (TSA) and amended from time to time.

All employees working under the Contract will be required to display on their person, at all times while on duty, an identification badge issued by the Authority. Identification badges will be worn on the outermost garment above the waist.

The successful Respondent will provide the Authority with a badge application signed by the Authorized Signatory of the successful Respondent.

Prior to the issuance of the airport identification badge, an airport badge application must be prepared and submitted to the Airport Identification Office. The application form for airport identification will be provided by the Authority and properly completed by the successful Respondent.

All employees must be able to meet the requirements of the TSA in order to receive an airport identification badge. Individuals will be issued a badge by the Airport Identification Office only after they have met all necessary security and training requirements including the appropriate certifications of the fingerprint-based background check and the Security Threat Assessment. Authority shall be responsible for all fees associated with the successful Respondent's badge applications; Respondents should not include any costs for badge application fees in their proposals.

In order to ensure control and accountability of airport identification badges, the successful Respondent will notify the Authority of the termination of any employee immediately and submit written notification of badge status of terminated employees within twenty-four (24) hours to the Security Access Supervisor, Airport Identification Office. The Airport Identification Office shall be immediately notified if the badge is not recovered for any reason. Failure to recover the identification badge and return it to the Airport Identification Office will result in a one hundred dollar (\$100.00) fee assessed to the successful Respondent. The successful Respondent will also receive a Monthly Status Report and will verify accuracy of that report on a monthly basis.

ID badges reported lost or stolen must be thoroughly investigated and closely scrutinized. Replacement ID badges may be issued only upon written request from the Respondent. Such request must be on Company letterhead, stating the circumstances surrounding the loss, and be signed by an authorized Company representative on file with the Airport Identification Office. Replacement fees will be assessed to the successful Respondent; replacement fees for lost or stolen badges will be:

- First replacement \$100.00
- Second replacement \$150.00
- Third replacement* \$200.00

*Requires approval of the Director of Operations and Public Safety

9.2 Security Checkpoint Procedures

Security Checkpoints are located throughout the MEM terminal building. These checkpoints prevent access to certain “restricted” areas. Personnel must have the proper photo identification badge, as described in Section 9 Security and Access, in order to access areas beyond these checkpoints.

9.3 Operations of Others

During the time that successful Respondent is performing under the Contract, other persons may be engaged in other operations on or about the work site, including facility operations, pedestrian, bus, and vehicular traffic and other contractors performing at the work site, all of which shall remain uninterrupted.

The successful Respondent shall so plan and conduct its operations to work in harmony with others engaged at the site and not to delay, endanger, or interfere with the operations of others, whether or not specifically mentioned above, and in the best interests of the Authority. All operations should be conducted in a manner that ensures the safety and well-being of others.

10 TERMS OF PERFORMANCE

The Authority will contract with a single Respondent to provide services under the direction of the Authority’s CEO Department, as outlined in the Scope of Services in this RFQ.

10.1 Contract Negotiations and Contract Form

One Respondent will be selected for contract negotiations in accordance with Section 13.4. Realizing that the final basis for agreement between the successful Respondent and the Authority must be a contract, Respondents shall indicate their willingness to negotiate a Contract acceptable to both Parties. This RFQ and specified portions of the successful Respondent’s response shall be incorporated into such Contract. The successful Respondent shall be required to execute a written contract with the Authority. The Authority will not execute the successful Respondent’s standard contract.

10.2 Cancellation

Should the successful Respondent fail to meet the requirements of the Contract after it is executed, the Authority may cancel the Contract at once and award the remainder of the contract term to the next qualified Respondent. If the Contract is cancelled, all materials provided to Contractor shall be returned to the Authority.

10.3 Term of Contract

The initial term of this Contract shall be for a period of one (1) year commencing on the start date of the Contract (Contract Term). The Authority, in its sole discretion, reserves the option to extend the Contract Term for two (2) additional periods of one (1) year each (Renewal Terms) by giving written notice to the Company at least ninety (90) days before the expiration of the Contract Term or any Renewal Term. At the sole option of the Authority, the Contract may be extended beyond the two (2) Renewal Terms. The Contract shall be amended to reflect any negotiated and agreed upon Compensation for any such extension of this Contract.

10.4 Convenience Termination of Contract

The Authority may, at any time upon thirty (30) days written notice to successful Respondent specifying the effective date of termination, terminate the Contract, in whole or in part, when the Authority deems it to be in the Authority's best interests.

10.5 Payment and Billing Requirements

10.5.1 Invoice Submittal

Invoices for payments related to the services rendered under the Contract shall be presented at the completion of each task as described below. Payment will be made only for correct invoices presented with a complete itemization of the services rendered. Incorrect invoices will be returned for correction, unpaid. All invoices must include the contract number and/or the purchase order number. The successful Respondent must email the invoice to the email address below:

Finance Department - acctpayable@flymemphis.com

10.5.2 Payment Terms

The Authority shall use its best efforts to pay invoices within net thirty (30) days from the receipt of a correct invoice.

10.5.3 Taxes

The Authority is exempt from Local, State, and Federal taxes. Tax certificates will be issued to the successful Respondent.

11 SCOPE OF SERVICES

The successful Respondent shall perform internal auditing services at the request of the CEO.

The Authority aims to enhance our internal controls and risk management process, and we recognize the need for a dedicated partner who can bring expertise, innovation and reliability to our organization. The scope of work will include conducting comprehensive internal audits on all operational areas and third-party arrangements engaged by MSCAA to assess compliance efficiency, areas and vendors that MSCAA oversees.

Key Deliverables

- Conduct risk assessment to identify potential areas of risk and vulnerability in areas as identified by the CEO
- Develop and perform a risk-based internal audit plan, which will use data analytic software programs to review and test large data sets to evaluate the effectiveness of our internal control system
- Perform detailed testing of internal controls and processes
- Provide timely and insightful reports as requested to the Authority
- Offer guidance on best practices and regulatory compliance requirements

12 RESPONSE STRUCTURE

It is not the intent of the Authority to restrict response preparation; however, to enable the Authority to evaluate each response in a uniform manner, all Respondents shall structure their response by submitting one (1) marked as “original” and six (6) marked “copies” of the response each in a three-ring binder with marked reference tabs containing the data requested and the form provided in Section 14. Respondents shall also include a USB drive with a complete digital copy of their response. **Submit data as requested in the following sections:**

12.1 Table of Contents

Respondent shall submit a Table of Contents outlining the response and shall include the tabs listed below.

12.2 Tab A – Company Information

Submitted under Tab A – Company Information, Respondent shall provide a brief company description, history, and financial status. In addition, Respondent must submit the requested information on the Respondent Information Form found in Section 14.1 below.

12.3 Tab B – References

12.3.1 Positive Comments

List four (3) references, with contact names and telephone numbers, for Internal Audit Services similar in size, scope of services, and complexity of the Memphis International Airport, who would have positive comments concerning their experience with your company. Please verify names and phone numbers of person to be contacted.

12.3.2 Negative Comments

List one (1) reference, with contact name and telephone number, for Internal Audit Services similar in size, scope of services, and complexity of the Memphis International Airport, who would have negative comments concerning their experience with your company. Please verify names and phone numbers of person to be contacted.

12.4 Tab C – Experience

Respondent must demonstrate experience performing the Services as described in Section 11, Scope of Services. Proposal must include professional reference contact information for at least three (3) airports of similar size and scope for whom the Respondent has provided these Services within the past five (5) years.

12.4.1 Internal Auditing Team Structure

Provide a description of the ownership structure, proposed audit team’s structure to be used during the course of the contract, including any subcontractors. Provide an organizational chart of the audit team indicating lines of authority for personnel involved in performance of the audit and relationships of this staff or subcontractors to other programs of functions of the Respondent. This chart must

also show lines of responsibility to the next senior level of management and include who will have prime responsibility and final authority for the work.

12.4.2 Staff Qualifications / Experience

Provide number of years your company has provided internal auditing services, and data analytic services. Identify staff, including subcontractors, who will be assigned to audits, indicating the responsibilities and qualifications of such personnel. Provide resumes (not to exceed two pages per person) for the named staff. Resumes must include information on the individual's particular skills related to this RFQ, education, experience (both with the Respondent and others), significant accomplishments and any other pertinent information. The Respondent shall commit that staff identified in their proposal will actually perform the assigned work. Any staff substitution must have prior written approval of the Authority.

- a. The successful respondent and any subcontractors must have a four (4) year business degree from an accredited institution in accounting or related field.
- b. The successful respondent and any subcontractors assigned to the contract must have at least five (5) years of experience in performing internal audits.
- c. The successful respondent and any subcontractors must have an active CPA, CIA, CFE, or CISA credential.
- d. The successful respondent must be dedicated to performance of internal auditing services

12.4.3 Relevant Contracts

Include a list of contracts the Respondent has held during the last five (5) years that relate to the Respondents' ability to perform the services outlined in this RFQ. Show contract reference numbers, contract period, current and valid names of contact persons with telephone numbers and e-mail addresses. By including this list, the Respondent grants permission to the Authority to contact this client list.

12.4.4 Relationship Philosophy

- a. Describe your firm's approach to creating a partnership with MSCAA.
- b. Describe your conflict-of-interest policies and how you manage engagements to avoid conflicts of interest
- c. Delivery Approach and Team Provide a roadmap detailing the activities from contract award, focusing on the approach to onboarding, understanding the organization, including engagement with key roles.
- d. Explain your methodologies and approach to meet our scope of services.
- e. Identify any collaborative activities and resource dependency required of MSCAA.
- f. Detail the proposed core delivery team, including key roles and team resources.
- g. Explain how communication activities will be executed and managed, including engagement with the Finance and Administration Department.

12.4.5 Risk Management

- a. Outline your firm's risk management philosophy and processes.
- b. Detail your firm's quality assurance processes.

- c. Explain protocols in place to safeguard client data and ensure data security, including frequency and type(s) of testing.

12.5 Tab D– Contract Changes

A sample contract for this solicitation may be found in Section 15 of this document. Please review the sample contract as it contains the Authority’s standard terms and conditions. The Authority may negotiate additional terms with the chosen Respondent as appropriate, and these terms will be incorporated into the Contract. The Authority reserves the right to change the sample contract; however, if changes are requested to this sample contract by the Respondent, the Respondent must submit those proposed changes under Tab F - Contract Changes for review and possible approval by the Authority. If no changes are submitted, the Authority’s interpretation will be the Respondent is accepting the Contract as shown in the sample contract. The successful Respondent will not be allowed to change the content of the sample contract terms which may be incorporated in the final Contract, unless those proposed changes are submitted under Tab F and approved by the Authority. **Do not return the sample contract with your response.**

12.6 Tab E – Executive Summary

Describe your team’s approach to providing the services in this RFQ, identifying any unique or distinctive features, or alternatives to which the Respondent wishes the evaluation committee to give particular attention.

13 AWARD

13.1 Solicitation

Responses are solicited from all companies that wish to be considered for the services outlined in this Request for Qualifications document. The Authority will make its selection from the information contained in the responses to the Request for Qualifications submitted by the due date. All parties are encouraged to respond in depth with statements containing specific experience and qualifications related to this RFQ in the format described herein.

13.2 Evaluation Criteria

The following criteria, although not exhaustive, may be used in the evaluation. The Authority reserves the right to change or modify the criteria. The following list in alphabetical order illustrates some of the criteria that may be used in the evaluation process.

13.2.1 Demonstrated ability to perform the service

13.2.2 Experience with similar size and type of facility and complexity of Memphis International Airport

13.2.3 Oral Presentations

13.2.4 Quality of work plan.

13.2.5 Responses of references

13.2.6 Responsiveness, organization, and clarity of the submittal

13.3 Oral Presentation

The Authority will select the top scoring finalists from the written submittals for an oral presentation.

13.4 Final Selection

Once the oral presentations have been completed, those Respondents will be ranked, and the ranking approved by the Authority's Board of Commissioners. Subsequently, the Authority staff will attempt to contract with the number-one-ranked firm. If negotiations are successful, the selected firm shall be recommended to the President for final approval. If an appropriate Contract cannot be negotiated with the first choice, negotiations shall be terminated, and the second ranked firm may be contracted. This may continue until successful negotiations have been concluded or it is determined that it is in the Authority's best interest to cease negotiations and/or issue a new RFQ.

13.5 The Authority's Right to No Award or Partial Award

Award will be made to the best qualified, responsive Respondent, if awarded. The Authority reserves the right to reject all responses, reject portions of any response, or accept the response deemed most advantageous to the Authority.

13.6 Cancellation

Should the successful Respondent fail to execute or meet the requirements of the Contract after it is executed, the Authority may cancel the Contract at once and award the Contract to the next best qualified, responsive Respondent.

13.7 Anticipated Contract Date

The Authority anticipates the commencement date of the Contract to be June 1, 2025.

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14 REQUEST FOR QUALIFICATIONS FORMS

14.1 Respondent Information Form (Required)

If Respondent is an INDIVIDUAL, fill out the following:

Individual's name: _____

If Respondent is a PARTNERSHIP, fill out the following:

<u>Partner Name:</u>	<u>Partner Address:</u>
_____	_____
_____	_____
_____	_____
_____	_____

If Respondent is a CORPORATION, fill out the following:

NAME OF CORPORATION PRESIDENT: _____

NAME OF CORPORATION SECRETARY: _____

All Respondents fill out the following:

NAME OF COMPANY: _____

PRINCIPAL BUSINESS ADDRESS: _____

CITY, STATE, ZIP CODE: _____

LOCAL STREET ADDRESS: _____

CITY, STATE, ZIP CODE: _____

FEDERAL TAX ID #: _____

TELEPHONE NUMBER: _____ CELL NUMBER: _____

EMAIL ADDRESS: _____

PRINTED NAME: _____

SIGNATURE OF RESPONDENT: _____

15 SAMPLE CONTRACT

CONTRACT 25-0010

FOR

INTERNAL AUDIT SERVICES

BY AND BETWEEN

THE MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY

AND

VENDOR NAME

THIS CONTRACT, made and entered into this [day] day of [month], [year], (the “Contract” or “Agreement”), by and between [VENDOR NAME] (“Company” or “Contractor”) and **Memphis-Shelby County Airport Authority**, a body politic and corporate organized and existing under and by virtue of the laws of the State of Tennessee, (“Authority” or “Sponsor” or “Owner”). The Authority and the Company may be referred to herein individually as a “Party” and collectively as the “Parties”.

WITNESSETH THAT:

For and in consideration of the mutual promises, covenants, and stipulations of each Party to the other, the Company agrees to provide the Authority with services on the terms and conditions set forth herein as follows:

1 PERFORMANCE

Company shall provide internal audit services to the Authority in accordance with the internal audit schedule provided by the Authority. The Authority and the Company agree that from time to time it may be necessary to add to, delete from, or amend the annual internal audit program in order to better meet the needs of the Authority, as determined by the Authority in its sole discretion.

2 COMPENSATION

For satisfactory performance, the Authority agrees to pay the Company in accordance with the Schedule of Compensation (“Compensation”) which is attached hereto as Exhibit A and incorporated herein by reference. The Authority agrees to remit payment to Company within thirty (30) days of receipt of a properly submitted and approved invoice with a complete itemization of the charges, including any and all supporting documentation. However, if Company has an outstanding debt with the Authority for any fees or expenses related to this Contract, and the debt is over thirty (30) days past due, the Authority reserves the right to deduct the amount owed from the Company’s submitted invoice. The Contract number must be included on the invoice in order for the invoice to be considered properly submitted.

3 TERM AND RENEWAL

The initial term of this Contract shall be for a period of one (1) year commencing on the start date of the Contract (Contract Term). The Authority, in its sole discretion, reserves the option to extend the Contract Term for four (4) additional periods of one (1) year each (Renewal Terms) by giving written notice to the Company at least ninety (90) days before the expiration of the Contract Term or any Renewal Term. At the sole option of the Authority, the Contract may be extended beyond the four (4) Renewal Terms. The Contract shall be amended to reflect any negotiated and agreed upon Compensation for any such extension of this Contract.

Any violation or breach of the terms of this Contract on the part of the Company or their subcontractors may result in the termination of this Contract or such other action that may be necessary to enforce the rights of the Parties to this Contract. The duties and obligations imposed by the Contract Documents, as defined in the "Contract Documents" section below, and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

4 TERMINATION OF CONTRACT

The Authority may, at any time upon thirty (30) days written notice, terminate this Contract in whole or in part at any time, either for the Authority's convenience or because of failure by Company to fulfill the Contract obligations. Upon receipt of such notice, services shall be discontinued on the effective date of termination (unless the notice directs otherwise) and all materials as may have been accumulated in performing this Contract, whether completed or in progress, delivered to the Authority.

If the Authority terminates this Contract, the Authority shall be liable under the payment provisions of this Contract only for payment for services rendered and expenses incurred before the effective date of termination.

Company may terminate this Contract upon thirty (30) days written notice to Authority if Authority is in material breach of this Contract and fails to cure the breach before the end of the thirty (30) day notice period.

If, after notice of termination for failure to fulfill contract obligations, it is determined that the Company had not so failed, the termination shall be deemed to have been affected for the convenience of the Authority.

The rights and remedies of the Authority provided in this clause are in addition to any other rights and remedies provided by law or under this Contract.

5 UPON TERMINATION

If this Contract is terminated prior to Company's completion of the services to be performed hereunder, then all finished or unfinished documents or other materials prepared or obtained by Company pursuant to this Contract shall become the Authority's property to the extent allowable by law and accounting standards. If this Contract is terminated prior to Company's completion of the services to be performed hereunder, Company shall return to Authority any sums paid in advance by Authority for services that would otherwise have had to be rendered between the effective date of termination and the original ending date of the Contract. Company shall prepare an accounting of the services performed and money spent by Company up

to the effective date of termination and shall return to Authority any remaining sums within thirty (30) days of such date.

6 DEFAULTS AND REMEDIES

6.1 DEFAULTS

Company shall be in default of this Contract upon the occurrence of any of the following events:

- a. If Company fails to comply with any of the provisions required of Company under this Contract, and such failure continues for a period of twenty-four (24) hours after written notice thereof is given to Company by the Authority; or
- b. If, by operation of law or otherwise, the right, title, or interest of Company in this Contract is transferred to, passes to, or devolves upon any other person, firm, or corporation without prior written consent of the Authority; or
- c. Upon the levy of any attachment or execution of any process of a court of competent jurisdiction which does or will interfere with Company's performance under this Contract, and which attachment, execution, or other process of such court is not enjoined, vacated, dismissed, or set aside within a period of thirty (30) days; or
- d. Upon the suspension, revocation, or termination of any power, license, permit, or authority that has the effect of preventing Company from performing under this Contract.

6.2 REMEDIES

Upon the occurrence of any one or more of the events as set forth above, or upon any other default or breach of this Contract by Company, the Authority may, at the Authority's sole option, exercise concurrently or successively, any one or more of the following rights and remedies without waiving such default or breach:

- a. Interplead funds to a court or pay any sum required to be paid by Company to parties other than the Authority, and which Company has incurred in connection with this Contract and failed to pay. Any amount so paid in good faith by the Authority, together with interest thereon at the maximum rate provided by law from the date of such payment, and all expenses connected therewith shall be repaid by Company to the Authority on demand; or
- b. Enjoin any breach or threatened breach by Company of any covenants, sections, terms, provisions, or conditions hereof; or
- c. Bring suit for the performance of any covenant devolving upon Company for performance or damage thereof, all without terminating this Contract; or
- d. Terminate this Contract upon ten (10) days written notice to Company, specifying date of termination and upon payment of all fees and expenses incurred prior to termination.

7 RIGHTS AND REMEDIES CUMULATIVE AND NOT EXCLUSIVE

All rights and remedies granted to Authority herein and any other rights and remedies which Authority may have at law and in equity are hereby declared to be cumulative and not exclusive, and the fact that Authority may have exercised any remedy without terminating this Contract shall not impair Authority's rights thereafter to terminate or to exercise any other remedy herein granted or to which Authority may be otherwise entitled.

8 RECOVERY OF FEES AND EXPENSES

In the event of any claim or other matter in question between the Authority and Company arising out of, or relating to, this Contract or the breach thereof and in addition to any other remedies or recoveries provided herein, the Company shall be liable for and shall promptly reimburse the Authority for any cost or expense incurred by the Authority, including fees and expenses of its attorneys, consultants, and experts, as a result of (i) Company's failure to perform in accordance with the terms of this Contract; (ii) breach of the warranties and guaranties set forth in this Contract; or (iii) any successful action taken by the Authority to enforce the terms of this Contract.

9 WAIVER

Waiver by the Authority of any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or of any other term, covenant, or condition. No term, covenant, or condition of this Contract can be waived except by written consent of Authority, and forbearance or indulgence by Authority in any regard whatsoever shall not constitute a waiver of same to be performed by Company to which the same may apply and, until complete performance by Company of the term, covenant, or condition, Authority shall be entitled to invoke any remedy available to it under this Contract or by law despite any such forbearance or indulgence.

10 FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performance under this Contract (other than for delay in the payment of money due and payable hereunder) to the extent said failures or delays are proximately caused (i) by causes beyond that Party's reasonable control and (ii) occurring without its fault or negligence, including, without limitation, failure of suppliers, subcontractors, and carriers, or Party to substantially meet its performance obligations under this Contract, provided that, as a condition to the claim of non-liability, the Party experiencing the difficulty shall give the other prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused; however, such delays shall not be grounds for an adjustment in Compensation.

11 ASSIGNMENT

The Company shall not assign the Contract or any part hereof or any monies due or to become due hereunder without the prior written approval of the Authority.

12 SUCCESSORS AND ASSIGNS

The Authority and the Company each binds itself and its partners, successors, executors, administrators and assigns, to the other Party of this Contract and to the partners, successors, executors, administrators, and assigns of such other Party with respect to all covenants, terms, provisions, and conditions of this Contract. Neither the Authority nor the Company shall assign, sublet, or transfer its interest in this Contract without the prior written consent of the other; provided, however, that claims for money due, or to become due the Company from the Authority under this Contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of such assignment or transfer shall be furnished promptly in writing to the Authority. Except as provided for above, if Company should subcontract, assign, or transfer any part of Company's interests or obligations under this Contract without the prior written approval of Authority, it shall constitute a material breach of this Contract.

13 INDEPENDENT COMPANY

Company is an independent contractor with respect to all services performed under this Contract. Company accepts full and exclusive liability for the payment of any and all premiums, contributions, or taxes for workers' compensation, Social Security, unemployment benefits, or other employee benefits now or hereinafter imposed under any state or federal law which are measured by the wages, salaries, or other remuneration paid to persons employed by Company on work performed under the terms of this Contract. Company shall defend, indemnify, save, and hold harmless the Authority from any claims or liability for such contributions, benefits or taxes. Nothing contained in this Contract, nor any act of the Authority or Company, shall be deemed or construed to create any third-party beneficiary or principal and agent association or relationship with the Authority. The Company is not the Authority's agent and the Company has no authority, express, apparent or otherwise, to take any action or execute any documents on behalf of the Authority.

14 NO FINANCIAL INTEREST

Company understands and agrees that no Authority employee or member of the Board of Commissioners of the Authority, Memphis City Council, or Shelby County Board of Commissioners shall receive any financial benefit arising out of this Contract, either directly or indirectly. Further, any fees paid to any person or entity by the Company for assistance in obtaining this Contract with the Authority have been fully disclosed to the Authority in Company's Response, as defined in the "Incorporation of Company's Response" section below, and supplemented in writing as necessary throughout this process.

15 INDEMNIFICATION

- a. Company shall defend, indemnify, and hold harmless the Authority and its commissioners, officers, agents and employees, from and against all claims, damages, demands, liability, losses, acts of God, costs, fines, and expenses of any nature whatsoever, including reasonable attorneys' fees, arising out of or resulting from any negligent acts or omissions in connection with Company's performance of this Contract, to the extent caused in whole or in part by Company or its employees, officers, agents, or subcontractors, or caused by others for whom Company is liable except to the extent of intentional misconduct of the Authority. The indemnity set forth in this section shall survive the expiration or earlier termination of this Contract.
- b. When the Company is obligated to provide the Authority a defense hereunder, it shall do so with qualified counsel that is selected by the Company and approved by the Authority. Such approval shall not be

unreasonably withheld. In light of the Authority and the Company's continuing relationship, however, the potential for conflicts of interests exists if the same counsel represents both the Authority and the Company when the Company accepts the Authority's tender of defense under the indemnity provision of this Agreement. Therefore, the Authority retains the right to select its own counsel from a list of qualified attorneys provided by the Company or the Company's insurer. The selected counsel's fees and expenses shall be paid for by the Company or its insurer, and the counsel shall be different from that selected by the Company to represent it in the same matter.

16 LAWS, PERMITS AND LICENSES

Company shall abide by and observe all laws, ordinances, and regulations relating to the work to be done pursuant to this Contract. Company shall secure all permits and pay all license fees required by law before beginning the services.

17 INSURANCE REQUIREMENTS

See Exhibit C for Insurance Requirements.

18 DAMAGE TO AUTHORITY PROPERTY

Company agrees to promptly notify Authority of any damage caused to Airport property arising from Company's activities at the Airport. Company also agrees to comply with any request made by the Authority for reimbursement of costs associated with any damage to Airport property arising from the use of the Airport by Company or any of Company's representatives, managers, employees, agents, contractors, subcontractors, licensees or invitees or from the conduct of same. This provision shall survive the termination of this Contract.

19 OFFICE SPACE LEASE

Authority agrees to provide office space to Company at no cost to Company. Provision of the office space is contingent upon execution of a separate lease agreement between Authority and Company. Company will be responsible for full compliance with the conditions of the lease agreement. The lease agreement will expire commensurate with the date of the expiration or termination of this Contract. Company's failure to comply with the terms of the lease agreement could constitute breach of this Contract and could result in penalties at the Authority's sole discretion, up to and including withholding of payment or termination of this Contract.

20 AUDIT

The Authority shall have the right to audit this Contract along with any and all books, documents, and records relating thereto, as deemed necessary by the Authority, in its sole discretion. The books, documents, and records of Company in connection with this Contract shall be made available to the Authority in the Authority's offices or other locations in Memphis, Tennessee, acceptable to the Authority, within ten (10) days after a written request is made. The Authority may audit the Company's records at any time within three (3) years of each year ended June 30. The provisions of this section shall survive the expiration or earlier termination of the Contract by a period of no less than three (3) years.

21 GOVERNING LAW

This Contract shall be interpreted, construed and performance shall be governed by and in accordance with the laws of the State of Tennessee. Authority and Company irrevocably agree that should any litigation arise out of this Contract, it shall be brought in the state or federal courts in Shelby County, Tennessee.

22 SURVIVAL OF OBLIGATIONS

All obligations of the Parties that either expressly or by their nature survive the expiration or termination of this Contract shall continue in full force and effect subsequent to, and regardless of, this Contract's expiration or termination and until they are fully satisfied or by their nature expire.

23 INCORPORATION OF AUTHORITY'S REQUEST FOR QUALIFICATIONS

The Authority's Request for Qualifications, 25-0010, shall be incorporated in its entirety herein by reference. Accordingly, the Company shall be obligated to meet all requirements; provided, however, that where an express provision of this Contract conflicts with any provision of the Request for Qualifications, this Contract shall control.

24 INCORPORATION OF COMPANY'S RESPONSE

Company's timely response to the Authority's Request for Qualifications ("Company's Response") shall be incorporated in its entirety herein by reference. Company and Authority acknowledge that Company's Response was a valuable consideration in the award of this Contract to the Company and is an authoritative reference for understanding the intention of the Parties to this Contract. Accordingly, Company shall be obligated to meet all specifications described in Company's Response; provided, however, that any conflict between an express provision of this Contract and any provision of Company's Response shall be resolved in the following order: (1) the provisions of this Contract, (2) Scope of Services, and (3) Schedule of Compensation.

Iran Divestment. Company and each person signing on behalf of the Company certifies, under penalty of perjury, that to the best of its knowledge and belief Company is not on the list of persons engaging in investment activities in Iran created pursuant to T.C.A. § 12-12-106.

No Boycott of Israel. Pursuant to T.C.A. § 12-4-119, Company certifies that Company is not currently engaged in, and will not for the duration of services herein engage in, a boycott of Israel.

25 UNCONDITIONAL OBLIGATION TO PROCEED

Notwithstanding anything herein to the contrary, when the Authority has requested work for which time is of the essence, the Company will proceed with the work even if it has a dispute with the Authority concerning the amount to be paid.

26 CONTRACT DOCUMENTS

The documents which comprise the entire Contract between the Authority and the Company ("Contract Documents") consist of the following:

- a. This Contract
- b. Exhibit A – Scope of Services
- c. Exhibit B – Schedule of Compensation
- d. Exhibit C – Insurance Requirements
- e. Exhibit D – Required contract provisions for Airport Improvement Program and for Obligated Sponsors

27 SEVERABILITY

In the event any provisions of this Contract shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the Parties. One or more waivers by either Party of any provision, term, condition or covenant shall not be construed by the other Party as a waiver of a subsequent breach of the same by the other Party.

28 NOTIFICATION

All written notices, demands or requests of any kind that either Party desires to serve on the other Party in connection with this Contract may be served by hand-delivery or by mail at the addresses below or such other addresses as may be provided in writing. Any such notice or demand so served by mail shall be mailed or delivered by certified or registered mail with postage or fees thereon fully prepaid, and addressed to the Parties as follows:

If to Authority:

	Memphis-Shelby County Airport Authority
	Director of Procurement
	2491 Winchester Road, Suite 113
	Memphis, TN 38116-3856

Memphis-Shelby County Airport Authority
General Counsel
2491 Winchester Road, Suite 113
Memphis, TN 38116-3856

If to Company:

	[VENDOR NAME]
	[POINT OF CONTACT]
	[ADDRESS]
	[CITY, STATE ZIP]

Any notice to either Party relative to any part of the Contract shall be considered delivered and the service thereof completed when said notice is posted by certified or registered mail to the other Party at its last given address or delivered in person to the other Party or to its authorized representative.

29 ENTIRE AGREEMENT

This Contract constitutes the complete agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations, stipulations, representations, or agreements, whether written or oral. The provisions of this Contract may only be modified, amended or waived by a written instrument executed by the Parties. If any provision or term of this Contract shall be determined to be illegal, invalid or

unenforceable, the remainder shall not be affected and shall remain valid and enforceable to the fullest extent permitted by law.

30 EXECUTION OF CONTRACT

The parties hereby agree and express their intent to execute this Contract electronically if Authority has a designated information processing system. The parties also hereby agree that this Contract may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

The remainder of this page left blank intentionally.

IN WITNESS WHEREOF, the signatures of the respective Parties by their duly authorized officers on the date first above written.

MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY

[VENDOR NAME]

By: _____

By: _____

Title: President and CEO

Title: _____

Approved as to Content:

By: _____

Title: Vice President of Finance and Administration

Reviewed and Approved as to DBE Requirements:

By: _____

Title: Senior Manager of Business Diversity Development

Approved as to Form and Legality

By: _____

Title: General Counsel

EXHIBIT A

SCOPE OF SERVICES

INSERT SCOPE OF SERVICES

EXHIBIT B

SCHEDULE OF COMPENSATION

INSERT SCHEDULE OF COMPENSATION

EXHIBIT C
INSURANCE REQUIREMENTS

Prior to commencing work, the Company and its Subcontractor, if any (hereinafter collectively called Company) shall procure and continuously maintain, at its sole cost and expense, with insurers' financially acceptable and lawfully authorized to do business in Tennessee and any other states where work or operations are performed on behalf of the Authority, the insurance coverage required herein. The minimum limits for the insurance coverage required herein are listed below unless higher limits are required by law.

B.1 MINIMUM SCOPE AND LIMITS OF INSURANCE

All General Liability policies of insurance with respect to work to be performed under the Contract and submitted by the Company, whether it be separate policies or on a combined form, must be written on an occurrence basis. Acceptance by Authority of insurance submitted by the Company does not relieve or decrease in any manner the liability of the Company for performance of the work required under the Contract, nor alter Company's indemnification obligations under the Contract. The Company shall increase such minimum limits upon written request from the Authority. The Company is responsible for any losses, claims, and costs of any kind which the Company's insurance does not cover.

B.1.1 COMMERCIAL GENERAL LIABILITY

Company's insurance coverage shall be on an occurrence coverage form, with coverage at least as broad as that provided under the current edition of the *Insurance Services Office Commercial General Liability Policy, CG 00 01 @*, and shall provide coverage for bodily injury, property damage, personal injury, advertising injury, premises and operations, products and completed operations. There shall be no limitations or exclusions beyond those contained in CG 00 01 04 13 which apply to property damage, products and completed operations, or contractual liability.

Company shall maintain Commercial General Liability with limits not less than:

\$1,000,000 bodily injury and property damage per occurrence
\$1,000,000 personal and advertising injury per occurrence
\$2,000,000 products and completed operations aggregate
\$2,000,000 general aggregate

B.1.2 AUTOMOBILE LIABILITY

Company shall maintain coverage for liability with respect to the use or operation of any auto, including those owned, hired or otherwise operated or used by or on behalf of the Company. The coverage shall be at least as broad as the current edition of the *Insurance Services Office Business Automobile Policy, CA 00 01 @* and include Symbol 1 'any auto'.

\$1,000,000 combined single limit each accident

If Company's scope of services is mandated by State and/or Federal DOT regulations, Company will be in compliance with all applicable mandates at all times.

B.1.3 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Company shall maintain Workers' Compensation coverage in accordance with the statutory requirements and regulations of the State of Tennessee, and shall voluntarily provide workers' compensation coverage for proprietors, partners or others not statutorily required to maintain workers compensation insurance. Coverage shall endorse the Authority as an Alternate Employer and provide a copy of such endorsement to the Authority.

Company shall maintain Employer's Liability insurance of not less than:

\$1,000,000 for bodily injury by accident
\$1,000,000 for bodily injury by disease
\$1,000,000 policy aggregate

B.1.4 UMBRELLA LIABILITY

Company shall maintain umbrella liability coverage on an occurrence coverage form, with coverage following form to the coverages provided by the current editions of the *Insurance Services Office Commercial General Liability Policy, CG 00 01 @*, the *Insurance Services Office Business Automobile Policy, CA 00 01* and *Insurance Service Office Workers' Compensation and Employers Liability Policy WC 00 00* in accordance with the statutory regulations of the State of Tennessee with coverage not less than

\$5,000,000 per occurrence
\$5,000,000 annual aggregate

B.1.5 PROFESSIONAL LIABILITY INSURANCE

Per Claim and in the Aggregate: \$ 1,000,000

Contractor must provide professional liability insurance appropriate for their profession. Architectural and engineering firms must provide coverage for liability arising out of design errors and omissions. The policies shall provide a three (3) year extended reporting period.

B.2 DEDUCTIBLES, SELF-INSURED RETENTIONS OR SELF-INSURED PROGRAMS

Any deductibles, self-insured retentions or self-insured programs must be declared to and approved in advance by the Authority and shall be fully disclosed and identified within the Certificate of Insurance. At the option of the Authority, Company shall reduce the deductible or self-insured retention to a maximum of \$10,000 or eliminate such deductibles or self-insured retentions applicable to claims involving the Authority, its officials and employees, or the

Company shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses within the deductible or self-insured retention amount.

The self-insured retention or deductible amount on the policy shall not reduce the amount of collectible limits of liability. Any policy of insurance that either specifies self-insurance or a self-insured retention or that is maintained by Company shall contain a provision to the effect that the insolvency or bankruptcy of the insured shall not relieve the insurance company of any obligation under the policy.

B.3 OTHER INSURANCE PROVISIONS

The required insurance shall contain the following additional provisions:

B.3.1 ADDITIONAL INSURED

The Memphis-Shelby County Airport Authority, including the Authority's commissioners, officers, employees and agents, shall each be included as additional insured on Company's Commercial General Liability, Pollution Liability, Auto Liability, and Umbrella Liability policies with respect to claims or liabilities arising from, or connected with Company's work or operations. The additional insured endorsements shall be at least as broad as the current edition of the Insurance Services Offices forms **CG 20 10@** and **CG 20 37@**.

B.3.2 PRIMARY COVERAGE

Company's required insurance coverage, including umbrella liability, shall be primary insurance, and any insurance or self-insurance maintained by the Authority shall be in excess of and non-contributory with Company's insurance.

B.3.3 SEVERABILITY OF INTEREST

Except with respect to the limits of insurance, Company's required insurance shall apply separately to each insured or additional insured.

B.3.4 WAIVER OF SUBROGATION

To the fullest extent permitted by law, Company agrees to waive all rights of subrogation against the Authority, including the Authority's commissioners, officers, employees and agents and shall cause each of its contractors and subcontractors to waive their rights of subrogation against the Authority, including the Authority's commissioners, officers, employees and agents for all costs or expenses, losses, damages, claims, suits or demands, howsoever caused:

- a. To real or personal property, including but not limited to vehicles, equipment, and tools owned, leased or used by the Company or the Company's employees, agents or subcontractors; and
- b. To the extent such loss, damage, claims, suits or demands are covered, or would have been covered, by the required or any other insurance, except professional liability to which this requirement does not apply, maintained by the Company.

This waiver shall apply to all first party property, equipment, vehicle and workers compensation claims, unless prohibited under applicable state statutes, and all third-party liability claims. This waiver shall also apply to all deductibles, retentions or self-insured layers applicable to the required or any other insurance, except professional liability to which this requirement does not apply, maintained by the Company. If necessary, the Company agrees to secure endorsements to the required insurance policies to permit waivers of subrogation in favor of the Authority as required hereunder. The Company further agrees to hold harmless and indemnify the Authority for any loss or expense incurred as a result of the Company's failure to obtain such waivers of subrogation from the Company's insurers.

B.3.5 NOTICE OF CANCELLATION

Should the Company cancel, fail to renew or make changes to any insurance policy required herein, and/or receive advance written notice from the insurer prior to the cancellation, termination, revocation of or any adverse material change to any insurance coverage required hereunder, the Company shall immediately notify the Authority in writing of same. If any of the insurance is cancelled, the Company shall cease operations until such insurance can be provided.

B.3.6 ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers authorized to do business in the State of Tennessee having an A- or better rating and a Financial Size Category of "Class VII" or higher according to the most current edition of Best's Key Rating Guide.

B.3.7 VERIFICATION OF COVERAGE

The Company shall furnish the Authority with a certificate of insurance evidencing the required coverage prior to the commencement of work or operations. The Company agrees to submit an insurance certificate(s) such that the Authority has a certificate evidencing current required coverage at all times. The certificates are to be signed by a person authorized by the insurer(s) to bind coverage on Company's behalf. **Copies of endorsements providing coverage for additional insureds, primary, non-contributory coverage, permitting waiver of subrogation, and earlier notice of cancellation shall also be provided to the Authority.** Renewal certificates shall also be provided to the Authority prior to the expiration of the required insurance policies.

If required by the Authority's legal counsel, the Company agrees to provide true and certified copies of the required insurance policies within fifteen (15) days of receipt of written request from the Authority. In the event renewal policies have not been issued by insurer(s), the Company agrees to provide complete copies of insurance binders issued to evidence coverage required by this Contract until such time as the actual policies are received from insurer(s).

Failure of the Authority to request such certificates or other evidence of Company's compliance with insurance requirements, or failure of the Authority to identify

deficiencies from evidence that is provided, shall in no way limit or relieve Company of its obligations to maintain such insurance.

B.3.8 SUBCONTRACTORS

The Company shall require their contractors and subcontractors to maintain same insurance coverage and minimum limits as is herein required of the Company, as well as provide proof of subcontractors' insurance coverage to the Authority.

B.3.9 LEASED EMPLOYEES

Use of leased employees by Company is expressly prohibited without the Authority's prior written permission. If permitted by the Authority, Company shall:

- a. Provide the Lessor with a complete copy of agreement with employee leasing company;
- b. Require leasing company to provide workers' compensation and employers liability insurance with limits in amounts not less than required of Company;
- c. Require leasing company to provide standard Alternate Employer Endorsement WC 00 03 naming the Authority as alternate employer on leasing company's workers' compensation and employers liability policy;
- d. Require leasing company to provide waiver of subrogation in favor of Lessor on leasing company's workers' compensation insurance policy; and
- e. Provide the Lessor with a copy of leasing company's certificate of insurance, with endorsements, evidencing the required coverage.

B.3.10 NO REPRESENTATION OF COVERAGE ADEQUACY

In specifying minimum Company insurance requirements, the Authority does not represent that such insurance is adequate to protect Company for loss, damage or liability arising from its work. Company agrees that it is Company's responsibility to identify its own risks and protect itself accordingly and understands that the Authority accepts no liability for any such uninsured risks howsoever arising.

The insurance requirements set forth in minimum amounts shall not be construed to relieve Company for liability in excess of such coverage, nor shall it preclude the Authority from taking such other actions as is available to it under any other provision of the Contract. Any acceptance of certificates of insurance by the Authority shall in no way limit or relieve Company of its duties and responsibilities under the Contract, including the duty to indemnify and hold harmless the Authority.

EXHIBIT D
REQUIRED CONTRACT PROVISIONS FOR AIRPORT IMPROVEMENT
PROGRAM AND FOR OBLIGATED SPONSORS

Federal Laws and regulations require that recipients of federal assistance include contract provisions in certain contracts without modification. The provisions in this section apply to this Agreement. The Company shall incorporate the applicable provisions, as indicated in this section, in all of the subcontracts that it enters into for work to be performed related to this Agreement.

Certain provisions must be included in all sponsor contracts, regardless of *whether or not* the contracts are federally-funded. This requirement was established when a sponsor accepted the Airport Improvement Program (AIP) grant assurances.

1 GENERAL CIVIL RIGHTS PROVISIONS

The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Contractor and sub-tier contractors from the bid solicitation period through the completion of the Contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964. If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor. The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

2 TITLE VI COMPLIANCE WITH NON-DISCRIMINATION REQUIREMENTS

During the performance of this Contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

1. COMPLIANCE WITH REGULATIONS

The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Contract.

2. NON-DISCRIMINATION

The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment

practices when the Contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. SOLICITATIONS FOR SUBCONTRACTS, INCLUDING PROCUREMENTS OF MATERIALS AND EQUIPMENT

In all solicitations, either by competitive bidding, or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the Contractor's obligations under this Contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

4. INFORMATION AND REPORTS

The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. SANCTIONS FOR NONCOMPLIANCE

In the event of a Contractor's noncompliance with the Non-discrimination provisions of this Contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Contractor under the Contract until the Contractor complies; and/or
- b. Cancelling, terminating, or suspending a Contract, in whole or in part.

6. INCORPORATION OF PROVISIONS

The Contractor will include the provisions of paragraphs 2.1 through 2.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

3 TITLE VI LIST OF PERTINENT NON-DISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- (1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- (2) 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- (3) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- (4) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- (5) The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- (6) Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- (7) The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- (8) Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- (9) The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- (10) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with

disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- (11) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- (12) Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

4 FEDERAL FAIR LABOR STANDARDS ACT

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The contractor has full responsibility to monitor compliance to the referenced statute or regulation. The contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

5 OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

