

**Request for Proposals (RFP) for:**

Provision of Administrative and Financial Management Services for the  
Alberta Used Oil Management Association &  
British Columbia Used Oil Management Association



February 15, 2017

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## INTRODUCTION

The Alberta Used Oil Management Association (AUOMA) and the British Columbia Used Oil Management Association (BCUOMA), collectively referred to as the “Associations”, operate provincially regulated, not-for-profit used oil material (oil, filters, and containers) recycling programs. BCUOMA’s program also includes used antifreeze materials (antifreeze and containers).

To maximize efficiency and reduce costs, the Associations have worked to harmonize and share back-office services, wherever possible. To date, the services shared by the Associations include: financial, accounting and administrative services; IT support; legal support; program annual auditing; and fee compliance auditing. At present, each of these shared services is contracted separately. In addition to these shared services, each Association separately contracts services for an Executive Director; communications; and projects on a case-by-case basis. More information on AUOMA’s program can be found [here](#); more information on BCUOMA’s program can be found [here](#).

The combined revenue of the Associations in the form of Environmental Handling Charges (EHCs) is in the range of \$29 million annually. This revenue is received on a quarterly basis from approximately 250 registered members, including the major oil companies, automotive manufacturers, heavy equipment manufacturers, wholesalers, distributors, antifreeze producers in British Columbia and many others of varying sizes. Annual payments approaching \$27 million in the form of Return Incentives (RIs) are made to approximately 19 private sector recycling companies on a monthly/bi-monthly basis.

### Additional Association Information

Additional information that might be useful in preparing your proposal include:

- Used oil is the largest single source of hazardous recyclable material in both provinces and poses a significant environmental problem if improperly managed.
- The Associations are not-for-profit organizations incorporated under their respective *Societies Acts* with membership open to all wholesale suppliers (first sellers) of oil materials.
- The Associations are approved by their respective governments to deliver used oil, filter, container, and antifreeze (BC only) recycling programs.
- AUOMA has requested the Government of Alberta consider adding antifreeze materials and other automotive fluid containers (such as diesel exhaust fluid and break cleaner fluid containers) to the regulated program. Please see AUOMA’s Business Plan 2017-2019, which can be found [here](#), for further details.
- The Associations are managed by multi-stakeholder Boards of Directors with representatives from manufacturing, retailing, provincial and municipal governments, and other non-government organizations.
- The Associations generate their own revenue through the collection of EHCs, manage their own funds, and are liable for their own debt.
- Program funds are generated through an EHC placed on manufacturers, wholesale suppliers or retailers (first sellers). Private sector processors are rewarded through Return Incentives (RI).

- British Columbia provides a Return Collection Facility incentive for facilities that agree to accept consumer returns.
- BCUOMA and AUOMA have outsourced their administrative, accounting and financial management services since their inception. AUOMA's program was founded in 1997 and BCUOMA's in 2003. AUOMA and BCUOMA have shared administrative and financial services since 2003.
- The Associations contract with their existing administrative and financial services provider ends August 31, 2017, after 10 years of service.
- Information on AUOMA, BCUOMA and other used oil management associations in Canada is available at [www.usedoilrecycling.com](http://www.usedoilrecycling.com).

### Important National Collaborations

In addition to the Associations efforts to cooperate and share services, the Associations also cooperate nationally with other provincially regulated used oil and antifreeze recycling programs operating under the Used Oil Management Association (UOMA) model: i.e., those in Saskatchewan, Manitoba, Quebec, New Brunswick, and Prince Edward Island. For more information on the UOMAs can be found [here](#).

All UOMAs follow the same model of collecting Environmental Handling Charges (EHCs), as their main source of revenue, from members (known as stewards or producers in other stewardship programs). Many of the members are national and are required to remit fees to each provincial program. The UOMAs are working to harmonize nationally, wherever possible, to maximize the programs' efficiency and minimize administrative burden. Examples of national initiatives underway include: a national e-claims system for processor and collector claims filing; coordinated compliance auditing of member EHC remittance; a one-window, web-based platform to ease members EHC remittance and help them understand their provincial obligations; and national communications. Each member UOMA takes turns co-chairing projects that work towards national harmonization and efficiencies.

## ADMINISTRATIVE & FINANCIAL MANAGEMENT SERVICES NEEDS

The Associations are soliciting proposals to select one or more service providers to provide administrative and financial management services for the next three (3) years. The Contract resulting from this RFP may be extended twice for three years, to enable up to nine (9) years of total service prior to the next competitive bidding process.

The Associations have a long history of providing high-quality service to their members and developing good working relationships with their downstream service providers. The Associations are at critical juncture as they continue reimagining and modernizing their business practices, procedures, and stakeholder interface platforms. In Canada and internationally, business infrastructure is rapidly advancing, physical infrastructure is changing to virtual infrastructure; practices, procedures, platforms are being reimagined to improve stakeholder interfaces; and new systems are being implemented to improve efficiency and effectiveness.

The Associations' aim to engage a service provider(s) that instigates change and innovation, enables the Associations to remain nimble; and assists the Associations in continually improving program efficiency and effectiveness.

### Expected deliverables

The following is a list of expected deliverables over the course of the Contract. For more detail on expected responsibilities of the successful Proponent see **Appendix A**.

The successful Proponent will:

- a. Provide a human resources cohort that is innovative, creative, provides exceptional service and generates high-quality, ready information for the Executive Directors and the Boards.
- b. Provide accounting and financial management services that pass annual, independent audits of financial statements by an accredited professional.
- c. Conduct field audits, as necessary, to ensure the validity of financial claims from downstream service providers, including processors, collectors, and return collection facilities.
- d. Lead the development of web-based data and information management systems for the Associations, and for the other UOMA's as required.
- e. Provide general administrative services (e.g., call center for queries by members, collectors, processors, generators and the public; meeting and event administration, document formatting; supply ordering; and websites management).
- f. Provide business advice to the Associations, including contributing to annual business plans, annual reports; and providing advice and expertise on investments, program reserves, risk management, effective controls, and other good business practices.
- g. Ensure the integrity of the organization through the implementation of effective controls.
- h. Manage data and records in a manner that meets the Associations' and government requirements.
- i. Provide data analytics that enable the Executive Directors and the Boards to make informed decisions.
- j. Be responsive to, liaise with, and otherwise support the Executive Directors and Boards of Directors, including at Board meetings.
- k. Liaise with the Associations' other provincial UOMA Associations.
- l. Lead or assist (as necessary) the Associations' efforts to harmonize and improve the effectiveness and efficiency of used oil and antifreeze recycling programs across Canada.
- m. Manage the Associations' relationships with the programs' downstream service providers, including existing and potential processors, collectors, and return collection facilities.
- n. Manage the Associations' relationships with members.
- o. Proactively assist the Associations in identifying opportunities to improve the efficiency and effectiveness of their on-the-ground operations.

- p. Provide continuity of services in any transition from the existing service provider.
- q. Implement expert change management procedures as the Associations transition from current practices, systems and infrastructure to the future practices, systems, and infrastructure.
- r. Be committed to implementing the best practices, technology, resources, efficiencies, and the infrastructure for continual improvement.

## IMPORTANT TIMELINES

Milestone	Date
RFP released	February 15, 2017
Expressions of Interest due date	February 28, 2017
Last day to submit questions for the Information Session.	
Information session	March 8, 2017, 1 p.m. MST
Proposal due date	March 31, 2017
Additional presentations, as requested	April 1 – June 1, 2017
Successful bidder confirmed	June 16, 2017
Contract period	September 1, 2017 -August 31, 2020

## GENERAL INSTRUCTIONS TO PROPONENTS

Proponents should provide an **Expression of Interest** in submitting a proposal to the Executive Directors by email by **February 28, 2017**. Proponents who express interest by the February 28, 2017 deadline may attend an **Information Session** (to be via teleconference) on **March 8, 2017**.

Proposals are due no later than **4:00 p.m. MST on March 31, 2017 (Proposal Due Date)**. Please send electronic copies of your proposal, as a PDF email attachment, to the attention of David Lawes at [dlawes@usedoilrecycling.ca](mailto:dlawes@usedoilrecycling.ca) and Jodi Tomchyshyn London at [jlondon@usedoilrecycling.ca](mailto:jlondon@usedoilrecycling.ca). **Proposals received after 4:00 p.m. MST on March 31, 2017 will not be considered.**

Proposals should be made to the attention of:

**Jodi Tomchyshyn London**  
 Executive Director  
 Alberta Used Oil Management Association  
[jlondon@usedoilrecycling.ca](mailto:jlondon@usedoilrecycling.ca)

**David Lawes**  
 Executive Director  
 British Columbia Used Oil Management Association  
[dlawes@usedoilrecycling.ca](mailto:dlawes@usedoilrecycling.ca)

For questions regarding the RFP or the selection process, please contact Mr. Lawes and Ms. Tomchyshyn London by email. The working language for all communications is English. All questions (unattributed) and answers will be sent to all Proponents who provide an Expression of Interest by February 28, 2017. All questions sent on or before February 28, 2017 will be answered at the Information Session; questions received after February 28, 2017 will be responded to in-writing after the Information Session.

### Irrevocability of Proposals

By submission of a clear and detailed written notice, the Proponent may amend or withdraw its proposal prior to the closing date, after which all proposals become irrevocable. By submission of a proposal, the Proponent agrees that should its proposal be successful, the Proponent will enter into a Contract with the Associations on terms consistent with the proposal and this RFP. By submitting a proposal, the Proponent agrees to all conditions and terms stated in this RFP.

### Changes to Proposals

The Proponent will be responsible for ensuring that any information provided in its proposal is current and accurate. The Proponent will not change the wording of its proposal after the Proposal Due Date and no words or comments will be added to the Proposal by the Proponent unless requested to do so by the Associations. The Associations will be under no obligation to seek further information, whether written or oral, from any Proponent.

### Clarification

As part of the process of assessing each proposal against the criteria, the Associations may, in their discretion; request clarifications from any Proponent and for that purpose may contact any Proponent. The Associations may, but are not obligated to, consider any such clarifications in its assessment of a Proposal against the criteria.

While the Associations are neither obligated to request clarification or additional information from any or all Proponents, nor to submit the same questions to any or all Proponents, where possible the Associations will provide all Proponents with the same answers to questions.

### Proponents' Expenses

Proponents are solely responsible for their own expenses in preparing a proposal and for subsequent negotiations or competitions arising from or in connection with any Contract, if any.

There will be no liability on the part of the Associations to any Proponent for any claims, including without limitation, for costs, damages, or loss of anticipated profit, incurred by the Proponent arising from or in connection with preparing the Proposal, this RFP, or any other matter whatsoever.

### Definition of Contract

This RFP is not an agreement to purchase goods or services, a contract, or any agreement whatsoever. No contract or any agreement whatsoever, is contemplated by this RFP, nor is there any intention by the Associations to create binding legal relations, or legal obligations, of any kind whatsoever, arising from or in connection with this RFP.

## Currency and Taxes

Proposal prices are to be:

- in Canadian dollars; and
- exclusive of Goods and Services Tax and any Provincial Sales Tax.

## Joint Submissions

Where a Proponent proposes to make a joint submission by two Proponents having no formal corporate links, one of these Proponents must be prepared to take overall responsibility for successful performance of the Contract and this should be clearly defined in the Proposal. The Associations are not obligated to enter into any contract with more than one Proponent.

## Acceptance of Proposals

The Associations are not bound to enter in to a Contract with the Proponent who submits the lowest priced Proposal or with any Proponent. The Associations will be under no obligation to receive further information, whether written or oral, from any Proponent.

Neither acceptance of a Proposal nor execution of a Contract will constitute approval of any activity or development contemplated in any Proposal that requires any approval, permit, or license pursuant to any federal, provincial, regional, district or municipal statute, regulation, or by-law.

By responding to this RFP, the Proponent agrees that the Associations' decision is final and binding.

## Liability for Errors

While the Associations have used considerable efforts to ensure an accurate representation of information in this RFP, the information contained in this RFP is supplied solely as a guideline for Proponents. The information is not guaranteed or warranted to be accurate by the Associations, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP is intended to relieve Proponents from forming their own opinions and conclusions with respect to the matters addressed in this RFP.

## Modification of Terms

The Associations reserve the right to modify the terms of this RFP at any time in their sole discretion. This includes the right to cancel this RFP at any time prior to entering into a Contract with the Proponent.

## Confidentiality of Information

The Proponent and any of its employees or agents shall use this RFP and any other information furnished under this RFP, regardless of the medium, solely for the purposes of responding to this RFP. All such documents and information received as part of the RFP process shall remain the exclusive property of the Associations. The Associations may identify as confidential some information to the Proponent and, in such case, the Proponent shall have an obligation to keep all such information confidential and to return or destroy any such confidential information upon request of the Associations. Reproduction of any part of this RFP is authorized only for the preparation of the Proponent's proposal. Information relating to this RFP and the Proponent's proposal may not be released without the express written consent of the Associations. News releases pertaining to this RFP or the award of the Contract related to this RFP may not be made without prior written permission of the Associations.

## Performance Evaluation

After award of the Contract, the Associations will conduct regular evaluations of the successful Proponent, including the human resource component of its services. In evaluating the Proponent for future use, the Associations will assess the Proponent's quality of service and compliance with the Contract, performance to budget, staffing efficiency, and the timely completion of work. Sharing performance information is critical to building and maintaining trusted relationships.

## MANDATORY PROPOSAL REQUIREMENTS

The following are mandatory requirements. Proposals not clearly demonstrating that they meet these requirements will be excluded from further consideration.

1. Proposals must be received by the Associations on or before the **Proposal Due Date**.
2. Proposals must be in English and must be submitted electronically, by email, in PDF form.
3. Proposals must include a cover statement signed by an authorized person capable of binding the Proponent to the terms and conditions of this RFP and the statements and representations in the proposal.

## DESIRED PROPOSAL CONTENT

Proposals meeting the mandatory requirements will be further evaluated against the following desired proposal content:

1. A description of the Proponent's firm and its professional experience relevant to the requirements of this RFP. Include a professional profile (e.g., competencies) of the project manager and senior members of the proposed project team. Include additional information that would help the Associations "get to know your firm", including:
  - A one-page summary of its 2017-2019 business plans.
  - A description of its diversity program.
  - A description of the value it could add as a result of its familiarity or work with the Associations key stakeholders.
  - A description of its most successful partnering arrangements or experiences, and permission for the Associations to speak to three such clients.
  - A description of its most noteworthy innovations in service delivery in the last 18 months.
  - An explanation of its pricing philosophy for 2017-2019.
  - A statement outlining whether it has any conflicting relationships that might prevent it from providing the services requested in this RFP.
  - A list of suggestions to improve work practices for our Associations.
2. A description of how your firm will provide the scope of services requested in the RFP including a work plan/timeline, which includes approval stages.

3. A description of the Proponent’s proposal for the primary place of business for this work, including space to meet and work directly with the Executive Directors. The Associations will entertain proposals that include the following scenarios:
  - a. Office space to be provided by the Proponent, provided there is space for the Executive Directors and the Proponent to periodically meet face-to-face and work with the Proponent (estimated one face-to-face meeting per month per Executive Director); or
  - b. Office space to be provided by the Associations, including space for the Proponent’s staff to work onsite.
4. The Proponent’s fees and related expenses to provide the services as outlined in this RFP.

## PROPOSAL EVALUATION

Proposals will be evaluated based on the following:

Ranking Criteria	Percentage (%)
Demonstrated understanding of the Associations’ needs and the needed deliverables	20
Overall completeness, clarity, and quality of proposal with respect to requirements of the RFP	5
Innovation and creativity in approach	10
Qualifications of project team and firm’s relevant experience	20
The qualifications, experience, resources, and availability of the lead person(s), and any other individuals assigned to the project team	5
Extent of value in relation to proposed cost, including a clearly defined cost structure	10
Total cost	30
<b>Total</b>	<b>100</b>

### Selection Process

The Associations will review and evaluate all proposals based on the stated requirements and the evaluation criteria, outlined in this RFP. The Associations will seek the most appropriate offer based on an evaluation of the Proponent, the fitness of the proposal for the purpose, the risk associated with the proposal, and the total cost quoted. The Associations may require presentations by the Proponent on any of the proposals submitted, interviews with the proposed project team, and tours of any off-site office space proposed as part of the proposals. The Associations may also set up meetings with a selection of Proponents to negotiate the Contract. The Associations reserve the right to negotiate all terms and conditions to enter into the formal Contract with the successful Proponent. Candidates will be notified in writing, once the successful Proponent has been selected and accepted. The Associations are not bound to give reason for rejecting any proposals or part thereof.

## Appendix A

### General responsibilities of the successful Proponent

- Manage all financial affairs of the Associations, such as managing the receipt and payment of funds by the Associations; conducting audits of collectors and processors to check the veracity of reported data; ensuring the implementation of proper financial controls; maintaining the integrity of accounting and database information, manage financial disputes related the payment of RIs and EHCs.
- Identify and provide recommendations to the Executive Directors on options to reduce administrative burden for AUOMA, collectors, processors, program registrants and members.
- Be available to collaborate with, and provide information and advice to the Executive Directors during regular business hours.
- Keep the Executive Directors apprised of all issues, concerns, and opportunities for improvement in the Associations policies, procedures, communications, IT, and records management.
- Provide general executive assistant services for the Executive Directors -e.g., arrange for meetings (logistics, meeting rooms and catering), format documents, send out Association communications.
- Provide data, analytics, and information, as requested by the Executive Director.
- Manage the Associations records as per government requirements and Board-approved policies.
- Manage general Association communications.

### Specific responsibilities of the successful Proponent

#### *General Financial Management*

- Monitor payments under all funding programs.
- Monitor results against budget.
- Prepare financial reports for the Executive Directors and the Boards of Directors.
- Develop and implement internal controls, in consultation with the Executive Directors and in keeping with the policies and procedures approved by the Boards.
- Monitor all contracts for payments (e.g., rent renewals, photocopier, insurance).
- Work with investment manager to provide investment management advice to the Executive Directors.
- Prepare year-end working papers and liaise with external auditors regarding year-end
- Prepare custom reports at request of the Executive Director.
- Prepare quarterly audit reports outlining findings (e.g., compliance rates, issues, trends).

#### *Accounting*

- Process all daily bookkeeping/accounting.
- Process operations payable.
- Process RIs payable (in accounting system).
- Process accounts receivable.
- Process EFTs.
- Ensure investment transaction report is prepared.
- Prepare monthly financial statement package.
- Review GST return.

- Cash management, including liaising with investment brokers and providing for adequate daily funds.

### *Monthly Reconciliations and Reporting*

- Complete bank reconciliations.
- Ensure sub-ledgers tie to trial balance.
- Reconcile EHC revenue to database.
- Reconcile RI expense to database.

### *Return Incentives Claims Processing*

- Handle all incoming calls pertaining to accounts receivable and accounts payable.
- Process approved Return Incentive claims payables, including verifying supporting documentation.
- Follow up with Collectors and Processors for additional supporting documentation, as required.
- Review Return Incentive claims and report to the Executive Director on Return Incentive payments.
- Handle inquiries from Collectors and Processors regarding payments.
- Monthly recurring entries (prepaids, amortization, investment accounting, etc.).

### *Accounts receivable*

- Liaise with registrants (new and existing) on:
  - queries regarding completion of EHC forms; and
  - queries regarding their accounts.
- Review and verify all remitted EHC forms for proper dates and calculations.
- Prepare and verify listing of outstanding accounts for letter preparation.
- Record interest charges and outstanding account assessments.
- Record outstanding compliance amounts and follow-up with any outstanding self-assessments.
- Reconcile registrant accounts.
- Follow-up on pending EHC registrants.

### *Non-financial administration*

- Handle all non-routine financial system issues as they arise.
- Review collector and processor applications for completeness, and once complete forward to the Executive Directors for review.
- Respond to and manage queries and issues arising from the public, potential registrants, registrants, members, collectors, and processors.
- Manage phone calls, letters and/or emails on behalf of the Executive Director, as requested by the Executive Directors.
- General management, including ensuring the Associations have appropriate equipment, technology, procedures, filing maintenance, etc.

- Compile and analyze data to inform future planning of the Associations, as requested by the Executive Directors. For example, compile statistics on collection performance by waste stream and zone.
- Prepare operations reports on volumes (EHCs and RIs) for the Executive Directors and the Boards of Directors.
- Present financial, operational, and other reports (as requested) at Boards of Directors meetings, and related functions, as requested by the Executive Directors.
- Inform the Executive Directors about issues, trends, concerns that become apparent during the work.
- Develop and implement appropriate information systems to ensure the Associations reporting, including financial reporting, is meaningful.
- Participate in and lead national UOMA financial management related projects such as EHC revenue and electronic RI claims, as requested of the Executive Directors.
- Undertake special projects at the request of the Executive Director (e.g., operational issues, records management).
- Update website information as requested by the Executive Directors or Associations communications consultants, including the Board portals.
- Send out communications to registrants, members, collectors, processors, government, and other UOMAs upon the request of the Executive Directors.
- Format documents (e.g., letters, communications) at the request of the Executive Directors.

### *Annual*

- Advise Association's senior management team, regarding long term planning and forecasting, operational matters, and miscellaneous issues.
- Prepare the Associations annual budgets, with direction from the Executive Directors
- Participate in development of the Associations' business plans.
- Recommend EHC registrants to be reviewed for compliance.

### *Relationships*

- Liaise with and report to Executive Directors.
- Maintain positive relationships with the regulated community and UOMA Associations.
- Liaise with UOMA Associations' management and staff.
- Liaise with and manage relations with external auditors on year-end audits.
- Liaise with banking representatives and/or investment representatives.
- Liaise with and manage relations with auditors on compliance audits regarding EHC remittances and funding programs.
- Manage any disputes professionally and efficiently.