

Request for Proposals (RFP) for

Financial Management and Digital Services for the
British Columbia Used Oil Management Association



April 24, 2023

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INTRODUCTION

The British Columbia Used Oil Management Association (the "**Association**" or "**BCUOMA**") operates a program for the collection, recycling and management of used lubricating oil, oil filters, oil containers, used antifreeze and antifreeze containers ("**Program Materials**") in British Columbia ("**BC**") pursuant to an Extended Producer Responsibility Plan approved by the BC Ministry of Environment and Climate Change Strategy under the *Recycling Regulation* (BC). More information on the Association's program can be found [here](#).

The Association is seeking proposals ("**Proposals**") for services including financial, accounting, IT support; data management and member and claims management digital services (the "**Services**").

The revenue for the Association is received in the form of Environmental Handling Charges ("**EHCs**") collected on the sale of Program Materials by the Association's members in BC and is currently in the range of \$16.5 million annually. EHC revenue is received on a quarterly basis from approximately 260 of the Association's registered members including oil companies, automotive manufacturers, heavy equipment manufacturers, wholesalers, distributors, retailers and antifreeze producers in BC. The Association makes payments currently approaching \$16 million annually, mostly in the form of Return Incentives ("**RIs**") which are made to approximately 11 private sector recycling companies on a monthly/bi-monthly basis (approximately 60 RI Claims per month).

Additional Association Information

Other information that might be useful in preparing a Proposal include that the Association:

- Is a not-for-profit society incorporated under the Federal *Societies Act* with membership open to brand owners, first sellers, wholesalers, distributors, importers and retailers of Program Materials.
- Intends to expand its scope to provide initiatives in respect of new materials in BC and in other jurisdictions.
- Has submitted an amendment to its Extended Producer Responsibility Plan to the BC Ministry of Environment and Climate Change Strategy to include all automotive containers, as are identified in Schedule 5 of the *Recycling Regulation* (BC).
- Has a multi-stakeholder Board of Directors with representatives from industry, manufacturers, retailers, municipal government, and the public.
- Is separate from government and generates its own funding through the collection of EHCs, manages its own funds, and is liable for its own debt.
- Generates program funds through an EHC placed on products sold by manufactures, wholesale suppliers or retailers (first sellers). Private sector processors are provided Return Incentives (RIs) based on the amount of product collected in the different [Provincial Zones](#) and managed following BCUOMA criteria.
- Has cloud-based accounting (Sage) and Office 365 for communication and electronic file storage.

- Provides a Return Collection Facility ("**RCF**") incentive for facilities that agree to accept consumer returns of Program Materials.
- Has a contract with its existing administrative and financial services provider (approx. 4 FTE's) which ends August 31, 2023.

Important National Collaborations

BCUOMA also cooperates nationally with other provincially regulated used oil and antifreeze recycling programs operating under the Used Oil Management Association of Canada model in Saskatchewan, Manitoba, Quebec, New Brunswick, and Prince Edward Island (each a "**UOMA**"). More information on the UOMAs can be found [here](#).

As their main source of revenue, all UOMAs follow the same model of collecting EHCs from members (known as stewards or producers in other stewardship programs). Many members of each UOMA operate nationally and are required to remit fees to each provincial UOMA 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 [EHC OneWindow](#) reporting system, a coordinated compliance auditing of member EHC remittance, and a one-window and national communication. The UOMAs take turns co-chairing projects that work towards national harmonization and efficiencies.

FINANCIAL, DATA MANAGEMENT and IT SERVICES NEEDS

The Association is inviting the submission of Proposals to identify one or more service providers who may be selected to proceed towards negotiating a prospective contract ("**Contract**") for the provision of the Services for the next three (3) years with an option to extend, at the Association's sole discretion for two (2) renewal terms of three (3) years each, up to a maximum of nine (9) years of total service prior to the next competitive bidding process.

The Association has a long history of providing high-quality service to its members and developing good working relationships with its downstream service providers. The Association is at a critical juncture as it continues to meet the needs of members by modernizing its business practices, procedures, and stakeholder interface platforms. In Canada and internationally, business infrastructure is rapidly advancing, physical infrastructure is changing to a virtual infrastructure; practices, procedures, and platforms are being reimagined to improve stakeholder interfaces; and new systems are being implemented to improve efficiency and effectiveness.

The Association aims to engage a service provider(s) that instigates change and innovation, enables the organization to remain nimble, and assists to continually improve program efficiency and effectiveness.

Expected deliverables

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 Chief Executive Officer (CEO), Director of Operations and the Board.
- b. Provide accounting and financial management services that pass annual, independent audits of financial statements by an accredited professional.
- c. Manage the Association's employee payroll and benefits program, expenses, Board reimbursements and credit cards.
- d. Manage the collection of EHC payment information and data through the UOMA EHC OneWindow system, including all Services related to BCUOMA's responsibility, including Level 1 Support, compliance, and system management.
- e. Manage the EHC Compliance Reviews of BCUOMA members, following the EHC Compliance Review program procedures.
- f. Using an information and data management system owned and maintained by the Proponent, manage the RI and RCF claims program including receiving digital geo-referenced claim submissions, reviewing the claims, managing the data, and providing the Director of Operations and CEO with a fully reviewed and verified claim for payment approval.
- g. Conduct field audits, as necessary, to ensure the validity of RI and RCF claims submissions from downstream service providers, including processors, collectors, and RCFs.
- h. Collect, manage and store program data (e.g. EHC, RI, RCF, Registrations) in an information and data management system that allows BCUOMA to efficiently and intelligently manage its business, including financial and non-financial reporting requirements.
- i. Provide digital Business Intelligence (BI) Reporting system access and reports, as requested to the Director of Operations and CEO, for EHC and RI/RCF claim management as required to support the Association's business and Board reporting requirements, including EPR Plan performance measurement, operational analysis, and GIS mapping.
- j. Work with the Director of Operations in conducting studies to ensure the accuracy and validity of the programs non-financial reporting.
- k. Provide business advice to the Association, including contributing to annual business plans and annual reports, and providing advice and expertise on investments, program reserves, risk management, effective controls, and other good business practices.
- l. Ensure the integrity of the organization through the implementation of effective controls, including cyber-security controls.
- m. Provide all Board Meeting material to the CEO one week prior to each meeting.
- n. Provide a RI payable request for every processor claim within 60 days of receipt of the claim, unless otherwise approved by the CEO.

- o. Be committed to implementing the best practices, technology, resources, efficiencies and infrastructure for continual improvement.

IMPORTANT TIMELINES

| Milestone | Date |
|--|--|
| RFP released | April 24 th , 2023 |
| Expressions of Interest Due Date | May 8 th , 2023 |
| Information Session | May 15 th , 2023 |
| Proposal Due Date | May 29 th , 2023 |
| Additional presentations, as requested | June 1 st – 5 th , 2023 |
| Successful Proponent confirmed | June 9 th , 2023 |
| Contract period | September 1 st , 2023 -August 31 st , 2026 |

GENERAL INSTRUCTIONS TO PROPONENTS

Proponents should provide an **Expression of Interest** in submitting a Proposal to the Association by email (address below) by **May 8th, 2023**. Proponents who express interest by the deadline may attend an **Information Session** (via videoconference) on **May 15th, 2023**.

Proposals are due no later than **4:00 p.m. PST on May 29th, 2023** ("**Proposal Due Date**"). An electronic copy of the Proposal, sent as a PDF email attachment, should be sent to the attention of:

David Lawes
 Chief Executive Officer
 British Columbia Used Oil Management Association
 dlawes@usedoilrecycling.ca

For questions regarding the RFP or the selection process, please contact Mr. Lawes 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 the Due Date.

Irrevocability of Proposals

By submission of a clear and detailed written notice, the Proponent may amend or withdraw its Proposal prior to the Proposal Due Date, after which all Proposals become irrevocable. By submission of a Proposal, the Proponent agrees that should its Proposal be successful, the Proponent will negotiate a Contract with the Association 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 Association. The Association 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 Association may, in its discretion, request clarifications from any Proponent and for that purpose may contact any Proponent. The Association may, but is not obligated to, consider any such clarifications in its assessment of a Proposal against the criteria.

While the Association is 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 Association 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 a Contract, if any.

There will be no liability on the part of the Association 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

In this RFP use of the term "Contract", as defined above, means a prospective contract to be negotiated between the Association and a successful Proponent. This RFP is not an agreement to purchase goods or services, a contract, or any agreement whatsoever. No binding contract or any agreement whatsoever, is contemplated by this RFP, nor is there any intention by the Association 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 two or more Proponents having no formal corporate links propose to make a joint submission, 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 Association is not obligated to enter into any contract with more than one Proponent.

Acceptance of Proposals

The Association is not bound to enter into a Contract with the Proponent who submits the lowest priced Proposal or with any Proponent. The Association 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 Association's decision is final and binding.

The Association is not responsible for Proposals that are not received as the result of technological issues, attachment size or any other failure of delivery or logistical barrier which may impede electronic submission.

Liability for Errors

While the Association has 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 Association, 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 Association reserves the right to modify the terms of this RFP at any time in its sole discretion. This includes the right to cancel this RFP at any time prior to entering into a Contract with a 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 Association. The Association 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 Association. 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 Association. 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 Association.

Performance Evaluation

After award of the Contract, the Association will conduct regular performance evaluations of the successful Proponent, including the human resource component of its Services. In evaluating the Proponent for future use, the Association 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.

PROPOSAL MANDATORY 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 Association 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.

PROPOSAL DESIRED 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 Association to "get to know your firm".
2. A description of how your firm will provide the scope of Services requested in the RFP including a description of how the Proponent intends to serve each major function of the Association.
3. A description of the Proponent's Proposal for the primary place of business for this work.
4. The Proponent's fees and time by person and role to provide the Services as outlined in this RFP in the following sub sections of Appendix A:
 - a) General Financial, Data and IT Management
 - b) EHC Program and Accounts Receivable
 - c) RIs and RCF Claims Processing

PROPOSAL EVALUATION

Proposals will be evaluated based on the following:

| Ranking Criteria | Percentage (%) |
|---|----------------|
| Demonstrated understanding of the Association's 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 |
| Total | 100 |

Selection Process

The Association will review and evaluate all Proposals based on the requirements and the evaluation criteria outlined in this RFP. The Association will seek the most appropriate Proposal 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 Association 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 Association may also set up meetings with a selection of Proponents to negotiate the Contract. The Association reserves 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 Association is 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 Association, such as managing the receipt and payment of funds by the Association; conduct audits of collectors and processors to check the veracity of reported data; ensure the implementation of proper financial controls; maintain the integrity of accounting and database information, and manage financial disputes related the payment of RCFs, RIs and EHCs.
- Identify and provide recommendations to the CEO on options to reduce administrative burden for BCUOMA, collectors, processors, program registrants and members.
- Keep the CEO apprised of all issues, concerns, and opportunities for improvement in the Association policies, procedures, communications, IT, and records management.
- Provide data, analytics, and information, as requested by the CEO.
- Manage the Association's electronic and physical records as per requirements and Board-approved policies and security requirements.

Specific responsibilities of the Successful Proponent

A. *General Financial, Data and IT Management*

(i) General Financial Management

- Monitor payments under all funding programs.
- Monitor results against budget.
- Prepare financial reports for the CEO and Board of Directors.
- Develop and implement internal controls, in consultation with the CEO and in keeping with the policies and procedures approved by the Board.
- Monitor all contracts for payments (e.g., rent renewals, photocopier, insurance).
- Provide investment management advice to the CEO.
- Manage the Association's employee payroll and benefits program.
- Prepare year-end working papers and liaise with external auditors regarding year-end

(ii) Accounting

- Process all daily bookkeeping/accounting.
- Process operations payable.
- Process RIs payable (in accounting system).
- Process accounts receivable.
- Process EFTs.
- Prepare investment transaction report.
- Prepare monthly financial statement package.
- Review GST return.
- Cash management, including liaising with investment brokers and providing for adequate daily funds.

(iii) Monthly Reconciliations and Reporting

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

(iv) IT and Data Management

- Provide IT support and cyber-security services to BCUOMA personnel including office hardware and software support.
- Manage the BCUOMA digital and physical file storage systems.
- Collect, manage and securely store all Association digital data.
- Receive, manage and host the EHC, RCF and RI databases and data storage systems, including geo-located generator collection site information.
- Provide BI Reporting system access and reports as needed and directed.

B. EHC Program and Accounts Receivable

- Register members and maintain up to date contact information in the OneWindow system
- Liaise with registrants (new and existing) on:
 - queries regarding completion of EHC reporting; 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 possible and pending EHC registrants.
- Compliance check for unregistered producers.

C. RIs and RCF Claims Processing

- Register collectors, processors and RCFs, and maintain contact information in a digital system.
- Review and process RI and RCF claims payable, including verification of supporting documentation.
- Follow up with collectors and processors for additional supporting documentation as required.
- Report to the CEO on RI payments.
- Handle inquiries from collectors and processors regarding payments.
 - Develop automated online fillable forms for Registration, Grants, Claims.
 - Handle inquiries from RCFs.
- Prepare cost-benefit analysis by material type.

D. 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 CEO for review.
- Prepare operations reports on volumes (EHCs, RIs and RCFs).
- Present financial, operational, and other reports (as requested) at Board of Directors Meetings, and related functions, as requested by the CEO.
- Inform the CEO about issues, trends, concerns that become apparent during the work.
- Develop and implement appropriate information systems to ensure the Association's 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 CEO.

(i) Annual

- Advise regarding long term planning and forecasting, operational matters, and miscellaneous issues.
- Prepare the Association's annual budget, with direction from the CEO.
- Prepare the Annual Report and other reporting material for the AGM.
- Participate in development of the Association's business plans.
- Recommend EHC registrants to be reviewed for compliance.

(ii) Relationships

- Liaise with and report to the CEO (see Internal Structure, [Appendix B](#)).
- Maintain positive relationships with the regulated community and the UOMAs.
- Liaise with each UOMA's 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.

Appendix B

BCUOMA Internal Structure and Key Responsibilities

