

Statement of Work

Pennsylvania Department of Conservation and Natural Resources Bureau of Forestry

Audit Management of State Forest Lands

I. SCOPE OF WORK

The Pennsylvania Department of Conservation and Natural Resources (DCNR), Bureau of Forestry, requests services of a contractor to conduct third-party forest management certification, comprehensive recertification and subsequent annual surveillance audits, on the Bureau's state forest lands for maintaining forest management certificates under the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC).

The unit price must include all labor, materials, equipment, tools, insurance, and all items necessary for completion of the project.

Questions regarding the technical aspect of this bid should be directed to Abby Jamison, Certification Coordinator, at 570.895.4011 or abjamison@pa.gov. Questions regarding the bidding or contracting procedures should be directed to Lynda Cashner at 717-783-4884 or lcashner@pa.gov.

II. BACKGROUND

The Bureau of Forestry (herein after the "Bureau"), empowered by legislation under the Pennsylvania Constitution, i.e., Article I, section 27, practices ecosystem management on approximately 2.2 million acres of publicly owned state forest lands. The state forest lands system totals 2.2 million acres, i.e., approximately 8% of Pennsylvania's total land mass (approx. 29 million acres) and approximately 13% of the total forested acres of the commonwealth (approx. 17 million acres). State forest lands are distributed non-uniformly but tend to occur towards the spatial center of the commonwealth.

The Bureau gained certification from the Forest Stewardship Council in 1998 and the Sustainable Forestry Initiative in 2019 and has been the recipient of certification services from the certifying bodies: SCS Global Services and the Rainforest Alliance. Most recently, the Bureau has been the recipient of services from SCS Global Services through an agreement that expires in June of 2023.

The Bureau is now requesting services of a contractor to conduct third-party forest management certification, comprehensive recertification and subsequent annual surveillance audits, on the Bureau's state forest lands. The Bureau desires holding dual audits between mid-September and the end of October of each year covered under this IFB. This IFB covers the 2023 comprehensive recertification audit and 2024 annual surveillance audit. The Bureau reserves the right to grant potential annual renewals for annual surveillance audits, for up to 3 years, or through the 2027 annual surveillance audit, to a satisfactory contractor (see table below).

Fiscal Year	Calendar Year	FSC State Lands	SFI State Lands	2023 IFB Process	Contract End Date
23-24	2023	Comprehensive Recertification Audit	Comprehensive Recertification Audit	In Scope	Initial Term through June 30, 2025
24-25	2024	Annual Surveillance Audit	Annual Surveillance Audit	In Scope	
25-26	2025	Annual Surveillance Audit	Annual Surveillance Audit	Potential Renewal	June 30, 2026 *Pending Renewal
26-27	2026	Annual Surveillance Audit	Annual Surveillance Audit	Potential Renewal	June 30, 2027 *Pending renewal
27-28	2027	Annual Surveillance Audit	Annual Surveillance Audit	Potential Renewal	April 30, 2028 *Pending Renewal

III. REQUIRED CONTRACTOR TASKS IN PROVIDING SERVICE

- A. Audit the management of the Pennsylvania State Forest system against the Principles and Criteria of the current FSC US Forest Management Standard and SFI Forest Management Standard.
- B. Conduct comprehensive recertification audit for calendar year 2023. The Bureau requires:
 - a. Pre-Audit Planning and Preparation
 - i. The contractor must coordinate with the Certification Coordinator, prior to July 31, 2023, to schedule the audit between the Sept. 18, 2023 and Oct. 20, 2023 timeframe.
 - ii. The awarded contractor will be required to provide the Certification Coordinator notice of 2023 audit locations no later than July 31, 2023. The contractor is required to provide, via an audit plan, the field site selection *criteria*, requested or necessary documentation, a description of any stakeholder consultation procedures that will be applied prior to or during the audits, and a list of bureau staff expected to participate in the audit at least 60 days prior to the audit date. Any changes to the audit plan will require Certification Coordinator approval.
 - iii. The awarded contractor is required to complete the selection of primary candidate audit field sites for the 2023 audit at least 30 days prior to the audit. The contractor must specify field sampling method and explain how methods weigh risks of non-conformance and their interpretation of scale and intensity as it applies to the Bureau. The successful contractor will be expected to weigh reasonable travel times to and between potential audit field sites and will work with the Certification Coordinator who can substitute sites that meet the contractor’s needs while allowing for more reasonable travel.

- iv. The awarded contractor will collaborate with the Certification Coordinator to create field audit agendas that specify the field sites to be visited, any opening or closing meetings, and briefings or de-briefing sessions.
 - b. Conduct the Comprehensive Recertification Audit
 - i. Concurrently conduct the dual SFI and FSC comprehensive recertification audit to the most recent version of the SFI and FSC standards. The comprehensive recertification is required to occur between Sept. 18, 2023 and Oct. 20, 2023.
 - ii. If non-conformities are issued, describe the process and approach to identify practical corrective action measures.
 - iii. Successful contractors will be expected to honor the Bureau's previously accepted corrective action request (CAR) responses and closures.
 - c. Develop and Distribute Audit Reports
 - i. The Bureau expects draft audit reports not more than 30 days following the conclusion of the annual audits.
 - ii. Detail any supporting materials, services, or information required from the Bureau.
 - iii. The Bureau will be allowed a minimum of 30 days to review, comment, and approve draft reports before they are finalized.
 - iv. Upon completion of Bureau review, the contractor is to finalize the comprehensive recertification and annual surveillance audit reports and submit to the Bureau, FSC, and SFI. For the Comprehensive Recertification Audit, the report must be finalized and submitted to all aforementioned parties by December 30, 2023. The contractor must ensure that any new certificates or certificate updates are executed and provided to the Bureau prior to December 30, 2023.
- C. Conduct annual surveillance audits to maintain certifications in the year 2024, as well as in the years 2025, 2026, and 2027 if potential renewals for annual surveillance audit services are granted.
 - a. Pre-Audit Planning and Preparation
 - i. Contractor will be required to provide the Certification Coordinator with at least eleven-month notice (approx. December 31st) of audit locations and audit dates, at least five-month notice of the audit focus topics (approx. April 30th), and, via an audit plan, at least three-month notice (approx. June 30th) of the field site selection criteria, requested or necessary documentation, a description of any stakeholder consultation procedures that will be applied prior to or

during the audits, and a list of Bureau staff expected to participate in the audit. Any changes to the audit plan will require Certification Coordinator approval.

- ii. The successful contractor will also be required to work closely with the Certification Coordinator to develop a process for selecting specific audit field sites. The Bureau requires that *field site selection criteria* be provided to the Certification Coordinator at three months prior to each audit (see item III.C.a.i. above). At that time, the Certification Coordinator will compile site selection data, consistent with these criteria, and provide it to the contractor to make their selection. The contractor is required to complete the *selection* of primary candidate audit field sites from this data at least 30 days prior to each audit. The contractor must specify field sampling method and explain how methods weigh risks of non-conformance and your interpretation of scale and intensity as it applies to the Bureau. The successful contractor will be expected to weigh reasonable travel times to and between potential audit field sites and will work with the Certification Coordinator who can substitute sites that meet the contractor's needs while allowing for more reasonable travel.
 - iii. The awarded contractor will collaborate with Certification Coordinator to create field audit agendas that specify the field sites to be visited, any opening or closing meetings, and briefings or de-briefing sessions.
- b. Conduct the Annual Surveillance Audit
- i. Concurrently conduct the dual SFI and FSC audits to the most recent version of the SFI and FSC standards. Annual surveillance audits are required to occur between mid-September and the end of October.
 - ii. If applicable, review and evaluate outstanding non-conformities and subsequent corrective action requests (CARs) from the previous audit.
 - iii. If non-conformities are issued, describe the process and approach to identify practical corrective action measures.
 - iv. Successful contractors will be expected to honor the Bureau's previously accepted CAR responses and closures.
- c. Develop and Distribute Audit Reports
- i. The Bureau expects draft audit reports not more than 30 days following the conclusion of the annual audits.
 - ii. Detail any supporting materials, services, or information required from the Bureau.
 - iii. The Bureau will be allowed a minimum of 30 days to review, comment, and approve draft reports before they are finalized.

- iv. Upon completion of Bureau review, contractor is to finalize the comprehensive recertification and annual surveillance audit reports and submit to the Bureau, FSC, and SFI. For Annual Surveillance Audits, reports must be finalized and submitted to all aforementioned parties by December 30th of the audit year. The contractor must ensure that any new certificates or certificate updates are executed and provided to the Bureau prior to December 30th of each respective audit year.

D. Provide general certification and standards guidance.

- a. The awarded contractor will, through the Certification Coordinator, assist the Bureau in navigating, interpreting, and understanding the requirements of the FSC and SFI Standards and associated policies, as well as any revisions of the FSC or SFI Standards that occur during the contract period.
- b. The awarded contractor will identify their point of contact that the Certification Coordinator will contact with questions or concerns when navigating, interpreting, and understanding the requirements of the FSC and SFI Standards and associated policies. This point of contact will respond to Bureau inquiries in a timely manner.

IV. CONTRACTOR GENERAL AND QUALIFICATION REQUIREMENTS

A. General

- a. Contractor must be a United States-based company with offices located in the United States.
- b. The contractor is to provide third-party dual certification of the Bureau's state forest lands in conformance with the most current FSC and SFI forest management standards.
- c. The contractor must be able to demonstrate conformance with current *SFI Section 10: SFI 2022 Audit Procedures and Auditor Qualifications and Accreditation* and be prepared to perform a certification audit in a manner that conforms to current guidelines of SFI Section 10 (or most recent version). The contractor must also be accredited by the most recent version of the *FSC General Accreditation Standard (FSC-STD-20-001)* to perform an audit. The contractor must provide documents supporting proof of conformance to these auditing standards with bid submission. Failure to do so will result in a bid rejection.
- d. In performing the dual audit, the contractor will be expected to perform an impartial audit of Pennsylvania's state forest system to determine conformance with the SFI 2022 standard (or most recent version) and the FSC 2010 Forest Management Standard (or most recent version).
- e. The contractor may subcontract portions of the audit to another firm, so long as the combination of bidder and subcontractor are certified (according to IV.A.c.) to audit both the SFI and FSC program and meets the staff qualifications described below.

- f. During the project period, personnel not previously identified in the vendor’s bid may only be substituted for another person or added to the project team when approved in writing by the DCNR Certification Coordinator. Any proposed personnel substitutions must be qualified and must meet all the requirements of the Statement of Work.
 - g. Dual audits will be held simultaneously and occur between mid-September and the end of October each year as covered by the agreement that will result from this contract.
 - h. The resulting contract will be comprised of annual audit activities performed under a fixed price. The prices approved at the contract award by fiscal year are the prices to be utilized throughout the duration of the contract. Price escalations can be approved at the time of renewals, subject to Commonwealth rules and policies on escalations.
 - i. The new contractor will consult with the previous certifying body to become educated on previous audit reports.
 - j. If the Bureau fails to be awarded SFI or FSC certification following any of the audits, the remainder of the contract for the annual audits regarding the standard or standards that the Bureau has failed to be awarded will be void.
- B. Staff Qualifications – To be rated as qualified, all personnel must meet the minimum qualification requirements and have the skills and knowledge deemed necessary by the Department to successfully complete the tasks associated with the project.
- a. List all personnel who will conduct the required work and provide resumes or Curriculum Vitae detailing their background, education, training, qualifications, and work experiences. Items IV.B.c-d will be confirmed or denied based upon these resumes or Curriculum Vitae. Identify which team member will perform the duties of Lead Auditor.
- In describing personnel experience, be clear and specific. Assumptions regarding experience will not be made.**
- b. Three (3) references are requested as an attachment to your bid submission, per section V. of this Scope of Work. Failure to provide references and supply the necessary documentation will result in bid rejection. The Bureau requires:
 - a. References for whom similar auditing work has been performed in the previous two (2) years by the Contractor. Similar work is defined as the preparation, execution, and reporting of dual FSC and SFI audits for agencies or organizations with more than 500,000 certified acres. At least one reference must be a state agency, and at least one reference must be certified to the Appalachian Region Appendix of the Forest Management Standard as defined by FSC.
 - b. Provide name, addresses, and telephone numbers for each reference.
 - c. Provide the most recent audit report (can be either a comprehensive recertification audit report or surveillance audit report; must be the most

recent) the Contractor has written for each reference. Said reports will provide confirmation that the Contractor has provided the reference with similar work, as defined by this Scope, in the last two (2) years.

- c. Personnel must have experience assessing a broad spectrum of natural resource management issues, including: forestry and silviculture, wildlife habitat and species management, ecosystem services, conservation biology and biodiversity, fire ecology, infrastructure logistics, and recreation management.
 - d. Personnel must include at least one forester with a Society of American Foresters accredited undergraduate or graduate degree, plus a minimum of three years' professional experience.
 - e. Substitutions of key personnel will be subject to review and approval by the Certification Coordinator.
- C. Worker Protection and Investment Certification Form: Pursuant to Executive Order 2021-06, *Worker Protection and Investment* (October 21, 2021), the Commonwealth is responsible for ensuring that every Pennsylvania worker has a safe and healthy work environment and the protections afforded them through labor laws. To that end, contractors and grantees of the Commonwealth must certify that they are in compliance with all applicable Pennsylvania state labor and workforce safety laws. Such certification shall be made through the Worker Protection and Investment Certification Form (BOP-2201) and submitted with the bid, proposal or quote.

V. INSURANCE REQUIREMENTS

The contractor shall purchase and maintain, at its expense, the following types of insurance, issued by companies acceptable to the Commonwealth.

- A. Workmen's Compensation Insurance for all of the Contractor's employees and those of any subcontractor, engaged in work at the site of the project as required by law.
- B. Public Liability and Property Damage Insurance to protect the Commonwealth, the Contractor, and any and all subcontractors from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death and damage to property including the loss of use resulting from any property damage, which may arise from the activities performed under the Contract, or the failure to perform under the Contract, whether such performance or non-performance be by the Contractor, by any subcontractor, or by anyone directly or indirectly employed by either. The minimum amounts of coverage shall be \$250,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and \$250,000 per person and \$1,000,000 per occurrence for property damage. Such policies shall be occurrence rather than claims-made policies and shall not contain any endorsements or any other form designated to limit and restrict any action by the Commonwealth, as an additional insured, against the insurance coverage in regard to work performed for the Commonwealth.

Prior to commencement of the work under the Contract and at each insurance renewal date during the term of the Contract, the Contractor shall provide the Commonwealth with current certificates of insurance. These certificates or policies shall name "The Commonwealth of PA-DCNR" as an additional

insured and shall contain a provision that the coverage's afforded under the policies will not be cancelled or changed until at least thirty (30) days written notice has been given to the Commonwealth. These certificates shall include the location and a brief description of the work to be performed under the contract.

The Commonwealth shall be under no obligation to obtain such certificates from the Contractor(s). Failure by the Commonwealth to obtain the certificates shall not be deemed a waiver of the Contractor's obligation to obtain and furnish certificates. The Commonwealth shall have the right to inspect the original insurance policies.

VI. CONTRACT TERM

The contract shall commence upon execution of the Purchase Order or July 1, 2023, whichever is later, and terminate June 30, 2025. Further, the parties may agree to renew this contract up to three (3) additional, annual terms, with a final termination date of April 30, 2028, upon the same terms and conditions set forth in the contract. The Department, based on past contractor performance, may negotiate an increase in the unit price(s) by a rate not to exceed 4%.

The Department will reach out to the Contractor no later than February 28th prior to the termination date to begin renewal discussions.

Once the renewal terms are mutually decided, the Contractor shall provide written notification of the intent to renew, including the requested price increase if desired, to the Department no later than March 31st prior to the termination date. The renewal notice must be emailed to: Abby Jamison at abjamison@pa.gov.

VII. SOLICITATION LINE ITEM BREAKDOWN

The following is the line item breakdown for the expected services provided in this solicitation:

- A. 2023 Dual Comprehensive Recertification Audit: This must encompass all professional fees, including:
 - a. Pre-Audit Preparation and Planning: audit planning, public notification, stakeholder consultation (pre-audit)
 - b. Conduct the Comprehensive Recertification Audit: office and field reviews, stakeholder consultation (during audit)
 - c. Develop and Distribute Audit Reports: report development, comments, and final production

- B. 2024 Annual Dual Surveillance Audit: This must encompass all professional fees, including:
 - a. Pre-Audit Preparation and Planning: audit planning, public notification, stakeholder consultation (pre-audit)

- b. Conduct the Annual Surveillance Audit: office and field reviews, stakeholder consultation (during audit)
 - c. Develop and Distribute Audit Reports: report development, comments, and final production.
- C. Reimbursable Expenses: This will be added after the solicitation is closed for award, as this is not a competitively biddable item. Payment will be made on a reimbursement basis for actual parking costs and approved travel expenses incurred during the period of contract. Travel reimbursement will be at or below state rates found in the most current version of the Commonwealth’s Management Directive 230.10, Travel and Subsistence Allowances, and will require the same documentation as required of state employees.

Potential contract renewals in calendar years 2025-27 will include the same line item breakdown as VII.B. above for Annual Dual Surveillance Audits.

VIII. BID AWARD

Bidder must complete and return the following with the bid response:

- A. The electronic Invitation for Bid to be found at www.pasupplierportal.state.pa.us
- B. References, as defined by Section IV. subsection B. must be provided.
- C. Resumes or curriculum vitae for personnel who will conduct work.
- D. Contractor must provide proof of conformance to the auditing standards as outlined in Section IV., A. c.
- E. A properly executed Worker Protection and Investment Certification Form.

The bid will be awarded based on the total sum of all blocks as indicated on the IFB-Invitation for Bids.

The contract quantities herein are estimated only and may increase or decrease depending on the needs of the DCNR. The Department will only accept out to two (2) decimal points when entering your “Unit Price” figures in the Invitation for Bid.

Please keep in mind that this solicitation will result in a purchase order spanning a two (2) year term, with the potential for renewals. Vendors are asked to take this information into account when inputting pricing for future years.

IX. PAYMENT TERMS

Payment will be made upon satisfactory completion of each line item breakdown as detailed in VII.A.a-c and VII.B.a-c. Acceptability of each annual audit and report will be exclusively within the discretion of the Department. Any deficiencies will be corrected by the contractor at no expense to the Department.

This contract will be paid by Automated Clearing House (ACH), commonly referred to as direct deposit. Contractor should review Section V.20 CONTRACT-016.2 Payment – Electronic Funds Transfer of the Commonwealth’s Terms and Conditions for complete details and contractor’s responsibilities.

X. INVOICING

Invoice format shall be in accordance with the IFB – Invitation for Bid.

All invoices for this contract MUST either be:

- A. Emailed to the following for a Paperless Email Invoice Option: 69180@pa.gov.

For information on the Commonwealth’s E-Invoicing Program, visit:
<http://www.budget.pa.gov/Programs/Pages/E-Invoicing.aspx>.

- B. Or mailed to the following address: Commonwealth of PA – PO Invoice
PO Box 69180
Harrisburg PA 17106

All invoices MUST have the purchase order number, your SAP Vendor Number and be itemized to include Line Item, description of work, and dates of service on the invoice. The name and address listed on the purchase order must also be listed on each invoice. Failure to provide this information may result in a delay of payment.

Please Note: Vendors are reminded to **NOT** include employer identification numbers, Social Security Numbers, bank account information, or other personally identifiable information on their invoices. That information is uniquely tied to your SAP Vendor Number and, for security purposes, should not be explicitly stated on an invoice.

XI. RECEIPT AND OPENING OF BIDS

Bids must be submitted via the PA Supplier Portal, to be found at www.pasupplierportal.state.pa.us. Fax, mailed and emailed bids **will not** be accepted.

No responsibility will be attached to any employee of the Department for the premature opening of, or the failure to open, a bid not properly addressed and identified, or for any reason whatsoever.

XII. BID RESULTS

Bidder can obtain bid results by accessing <http://www.emarketplace.state.pa.us/BidTabs.aspx>. The bids will be posted as soon as practicable following the bid opening. The results are the apparent bidders, and all bids are under review until final award of the purchase order.