



# **Request for Proposal No. ATC 12-01 Multi-Year Auditing Services**

**County of San Bernardino  
Auditor-Controller/Treasurer/Tax Collector  
222 W. Hospitality Lane, 4th floor  
San Bernardino, CA 92415-0018  
August 23, 2011**

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## I. INTRODUCTION

### A. Purpose

The County of San Bernardino Auditor-Controller/Treasurer/Tax Collector Department, hereafter referred to as the "County", is seeking proposals from interested and qualified vendors to provide audits of the County's Comprehensive Annual Financial Report, Inland Empire Public Facilities Corporation, San Bernardino County Financing Authority, Arrowhead Regional Medical Center, San Bernardino County Flood Control District, and San Bernardino County Fire Protection District in accordance with generally accepted auditing standards for the purpose of determining whether or not such financial statements fairly present the financial position and results of operations of the County and respective entities in accordance with generally accepted governmental accounting principles – see section IV, Scope of Work, for more details.

### B. Term of Contract

Specific services to be provided under this Request for Proposal (RFP) are outlined under Section IV- Scope of Work. The Contract period will be for a three (3) year period beginning with the audits for fiscal year ending June 30, 2012 and ending with the audits for fiscal year June 30, 2014.

### C. Minimum Proposal Requirements (Attachment B)

All proposers must:

1. Have at least five (5) years of experience in auditing large governmental activities which includes a medical center.
2. Must be a Certified Public Accountant (CPA) or employed by a CPA firm licensed by the State of California Department of Consumer Affairs.
3. Provide five (5) references (Attachment E) from other clients, three (3) of which should be public entities, whom Proposer now works with or has worked with within the last three (3) years and has established a contract of this nature, of same or similar size as the County of San Bernardino. Provide Agency, Contact Name, Address, Phone Number, email address, dates services were provided and types of services provided.
4. Have no record of unsatisfactory performance. Vendors who are or have been seriously deficient in current or recent contract performance, in the absence of circumstances properly beyond the control of the Vendor, shall be presumed to be unable to meet this requirement.
5. Be independent companies with no ties to any entities listed in the "Scope of Work" section of this document (Section IV).
6. Provide a current AICPA or California Board of Accountancy peer review report.
7. Have the ability to maintain adequate files and records.
8. Have the administrative and fiscal capability to provide and manage the proposed services.
9. Meet other presentation and participation requirements listed in this RFP.

### D. Proposal Conference

A proposal conference will be held on: **Wednesday, September 7, 2011 at 2 p.m.**

County of San Bernardino  
Auditor-Controller/Treasurer/Tax Collector  
222 W. Hospitality Lane, 4th floor  
San Bernardino, CA, 92415

### E. Questions

Questions regarding the contents of this RFP must be submitted in writing on or before September 9, 2011 by 4:00 PM (PST) and directed to the individual listed in Section I, Paragraph F-Correspondence. Any and all questions will be evaluated to determine if an official response is necessary. Copies of any answered questions will be posted to the County's website by September 19, 2011. It is the responsibility of the Proposer to check the website for responses to proposer's inquiries. Website: <http://www.sbcounty.gov/rfp/rfplist.htm>

**F. Correspondence**

All correspondence, **including proposals and questions**, are to be submitted to:

County of San Bernardino  
Auditor-Controller/Treasurer/Tax Collector  
Attn: Mark Cousineau, Chief Deputy Auditor  
222 W. Hospitality Lane, 4th floor  
San Bernardino, CA, 92415  
Mark.Cousineau@atc.sbcounty.gov. Email

E-mail address may be used to submit questions only. **Proposals will not be accepted by email.**

**Important:** All communications regarding this RFP, from date of issuance authorized by the Board of Supervisors, County of San Bernardino through final determination of the RFP results and awarding of Contract by the Board of Supervisors, must only be with the individual cited above. Communications regarding the RFP directed by a Proposer to a County employee or official other than the individual identified above may result in the immediate and complete rejection of a Proposer's proposal. All proposals received by the County and subsequent communications and deliberations regarding the proposals will be treated as confidential information until a recommendation is made to the Board of Supervisors.

**G. Admonition to Proposers**

Once this RFP has been issued, the individual identified above is the sole contact point for any inquiries or information relating to this RFP. Failure to adhere to this policy may result in disqualification of the Proposer. All questions regarding this RFP can be presented in writing as indicated in Section I, Paragraph E.

**H. Proposal Submission Deadline**

All proposals must be received at the address listed in Section I, Paragraph F—Correspondence, no later than 4:00 PM (PST) on September 23, 2011. For the purposes of this proposal, the time specified will be as defined by the official time clock located at the address listed in Section I, Paragraph F. Facsimile or electronically transmitted proposals will not be accepted in lieu of actual receipt. **Late or incomplete proposals will not be accepted.**

**II. PROPOSAL TIMELINE**

Release of RFP	August 23, 2011
Proposal Conference	2:00 p.m. September 7, 2011
Deadline for Submission of Questions	4:00 p.m. September 9, 2011
Tentative Date for Responses to Questions	September 19, 2011
Deadline for Proposals	4:00 p.m. September 23, 2011
Tentative Date for Awarding Contract	October 18, 2011

**III. PROPOSAL CONDITIONS**

**A. Contingencies**

This Request for Proposal (RFP) does not commit the County of San Bernardino to award a contract. The County reserves the right to accept or reject any or all proposals if the County determines it is in the best interest of the County to do so. The County will notify all vendors in writing, if the County rejects all proposals. The County also reserves the right to terminate this RFP process at any time.

**B. Acceptance or Rejection of Proposals**

Proposals shall remain open, valid and subject to acceptance anytime within one hundred eighty (180) days after the proposal opening and up to the end of the agreement period. The County reserves the right to reject any or all proposals.

The County realizes that conditions other than price are important and will award contract(s) based on the proposal that best meets the needs of the County. While cost may not be the primary factor in the evaluation process, it is an important factor.

**C. Best Value Evaluation Process**

Cost is an important factor in the evaluation process, but the County is not obligated to accept the lowest cost proposal. At the County's discretion, considerations other than price may factor into a decision as to which services (and product, if applicable) provide the best value to the County. Such considerations may include:

- Qualifications of key staff
- Relevant audit experience
- Past performance
- Any other relevant factors listed in the solicitation

**D. Modifications to the RFP**

The County reserves the right to issue addenda or amendments, or change the timelines to this RFP. All firms providing a proposal will be notified in writing of any modifications made by the County to this RFP.

**E. Proposal Submission**

To be considered, all proposals must be submitted in the manner set forth in this RFP. It is the Proposers' responsibility to ensure that its proposal arrives on or before the specified deadline. All proposals and materials submitted become the property of the County.

**F. Local Preference**

The County of San Bernardino has adopted a preference for vendors whose principal place of business is located within the boundaries of the County. A five percent (5%) preference may be applied prior to approval of any purchase or acquisition of services, equipment, goods or supplies.

For purposes of the application of the local preference policy (County Policy 11-12), "principal place of business" is defined as the vendor's main office (or headquarters) or a major regional office. A "major regional office" is defined as a business location apart from the vendor's main office (or headquarters) which:

1. Has been issued a business license, if required, and has been established and open for a minimum of six months prior to the date that the approval authority authorizes the circulation of an LOS/RFQ/Quote for any contract, agreement, or purchase order to which it responds; and
2. Can demonstrate on-going business activity in the field of endeavor on which the Vendor is proposing, from that office during the preceding six months; and
3. Has a minimum of twenty-five percent (25%) of the vendor's full time management employees and twenty-five percent (25%) of its full time regular employees working from the San Bernardino County location(s).

The County's Local Preference Policy means for example, if two Vendors are responding to this RFP and if quality, service and ability to meet the County's needs are equal, County staff must determine if one of the Vendors is a local vendor. If one of the Vendors is a local vendor, and its quoted price or

cost for services, equipment, goods or supplies does not exceed five percent (5%) of the other vendor's quoted price or cost, unless it is determined that an exemption applies, staff should recommend the local vendor for the contract award.

**G. Incurred Costs**

The County is not obligated to pay any costs incurred by vendors in the preparation of a proposal in response to this RFP. Proposers agree that all costs incurred in developing this proposal are the Proposer's responsibility.

**H. Negotiations**

The County may require the potential Vendor(s) selected to participate in negotiations. This may include cost, technical, or other clarifications needed to make a decision.

**I. Formal Agreement**

Vendor will be required to enter into a formal agreement with the County. This RFP sets forth some of the general provisions which will be included in the final contract. In submitting a response to this RFP, Vendor will be deemed to have agreed to each clause unless the proposal identifies an objection and County agrees to a change of language in writing. All objections to any provisions of the final contract should be listed on Attachment C – Exceptions to RFP.

**J. Use of Proposals Received**

All proposals received shall become the property of the County.

**K. Final Authority**

The final authority to award contracts as a result of this RFP rests solely with the County of San Bernardino Board of Supervisors.

**Please do not include any additional information that is not required by this Request for Proposal.**

**IV. SCOPE OF WORK**

**A. Services**

1. Audit of and issuance of an opinion statement on the Comprehensive Annual Financial Report.
2. Audit of and issuance of an opinion statement on the Inland Empire Public Facilities Corporation (IEPFC) - management's discussion and analysis not required.
3. Audit of and issuance of an opinion statement on the San Bernardino County Financing Authority (SBCFA) - management's discussion and analysis not required.
4. Audit of and issuance of an opinion statement on the Arrowhead Regional Medical Center - management's discussion and analysis not required.
5. Audit of and issuance of an opinion statement on the San Bernardino County Flood Control District - management's discussion and analysis not required.
6. Audit of and issuance of an opinion statement on the San Bernardino County Fire Protection District
7. Audit of the County pursuant to the Single Audit Act of 1984, as amended.
8. Preparation of financial statements for the Arrowhead Regional Medical Center
9. Preparation of financial statements for the County Flood Control District
10. Preparation of financial statements for the County Fire Protection District
11. Preparation of amortization/depreciation, fixed asset capitalization, and debt service entries for the County Flood Control District for input to the Financial Accounting System (FAS)
12. Preparation of amortization/depreciation, fixed asset capitalization, and debt service entries for the County Fire Protection District for input to the Financial Accounting System (FAS)
13. Preparation of all audit adjusting entries for the County Flood Control District for input to the Financial Accounting System (FAS)

14. Preparation of all audit adjusting entries for the County Fire Protection District for input to the Financial Accounting System (FAS)
15. Preparation of the schedule of fixed asset additions and deletions for the County Flood Control District for input into the Comprehensive Annual Financial Report.
16. Preparation of the schedule of fixed asset additions and deletions for the County Fire Protection District for input into the Comprehensive Annual Financial Report.
17. Preparation of the schedule of capital lease obligations and operating leases for the County Flood Control District for input into the Comprehensive Annual Financial Report.
18. Preparation of the schedule of capital lease obligations and operating leases for the County Fire Protection District for input into the Comprehensive Annual Financial Report.
19. Preparation of the California State Controller's Reports for the IEPFC.
20. Preparation of the California State Controller's Reports for the SBCFA.
21. Preparation of the California State Controller's Reports for the County Flood Control District
22. Preparation of the California State Controller's Reports for the County Fire Protection District
23. Preparation of applicable Federal and State tax forms for the IEPFC.
24. Perform an agreed upon procedures report for the Gann Appropriation Limit.
25. Prepare recommendations (Management Letters) pertaining to improvements in internal controls, if necessary.
26. Provide eight (8) hours of training to the Auditor-Controller/Treasurer/Tax Collector and other department staff each year at no charge. The training shall cover the latest pronouncements of the authoritative bodies in governmental accounting and auditing and shall be conducted in the Auditor-Controller/Treasurer/Tax Collector or other available County building at a time to be mutually convenient.

**B. Due Dates**

1. Audit opinion letters for IEPFC and SBCFA must be completed and issued by the first Monday of October immediately following the end of the applicable fiscal year.
2. Draft audited financial statements for Arrowhead Regional Medical Center, the County Flood Control District, and the County Fire Protection District by October 7th immediately following the end of the applicable fiscal year. The Arrowhead Regional Medical Center draft audit report can include the estimated Medicare Cost Report information.
3. Audit opinion letter for the County's Comprehensive Annual Financial Report and the final audited financial statements for Arrowhead Regional Medical Center, San Bernardino County Flood Control District, and San Bernardino County Fire Protection District by December 10th immediately following the end of the applicable fiscal year.
4. The Gann Appropriation Limit Report by October 15th immediately following the end of the applicable fiscal year.
5. The Management Letters by March 15th immediately following the end of the applicable fiscal year.
6. The Single Audit Report by March 15th immediately following the end of the applicable fiscal year.
7. The Federal and State Tax forms for the Inland Empire Public Facilities Corporation by the applicable due dates.
8. The California State Controllers Report for Inland Empire Public Facilities Corporation, the San Bernardino County Financing Authority, the San Bernardino County Flood Control District, and the San Bernardino County Fire Protection District by the required due dates.
9. The amortization/depreciation entries, fixed asset capitalization entries, debt service entries, schedule of fixed asset additions and deletions, and schedule of capital lease obligations and operating leases for the County Flood Control District and the County Fire Protection District by the September 21<sup>st</sup> following the end of the applicable fiscal year.

## **V. INCENTIVE**

The county is required to meet certain deadlines for the filing of the Comprehensive Annual Financial Report (CAFR) (and other financial information) with certain dissemination agents and entities such as letter of credit providers. As a result, the successful vendor will be required to provide their draft audit report on the Arrowhead Regional Medical Center (ARMC) by October 7th of each year and their opinion letter on the CAFR by December 10th of each year. As indicated, the ARMC draft audit report can include the estimated Medicare Cost Report information.

To meet the due dates, the County will pay the successful vendor a lump-sum of \$5,000 if the draft ARMC audit report is received by October 7th or the first business day thereafter and another \$5,000 if the CAFR opinion letter is received by December 10th or the first business day thereafter. In addition, the County will pay the successful vendor an additional \$1,000 per calendar day of incentive for each day the CAFR opinion letter is received prior to December 10th, up to a maximum of \$5,000.

## **VI. DESCRIPTION OF SAN BERNARDINO COUNTY AND ACCOUNTING SYSTEM**

### **A. Background**

The Office of the Auditor-Controller/Treasurer/Tax Collector (ATC) prepares the County of San Bernardino's Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board. As required by these principles, the CAFR presents the primary government and its component units. These blended component units will include Fire Protection Districts, Flood Control District, Park and Recreation Districts, County Service Areas, various Joint Powers Authorities--including Inland Empire Public Facilities Corporation, San Bernardino County Financing Authority, and the Redevelopment Agency of the County of San Bernardino. The County's CAFR does not include the financial statements of the San Bernardino County Employee's Retirement Association. The County's major enterprise funds include the Medical Center and the Solid Waste Management Division. FIRST 5 of San Bernardino County is a discretely presented component unit. Please review the County's June 30, 2009 and June 30, 2010 CAFR on the ATC website at [http://www.co.san-bernardino.ca.us/acr/pdf\\_download.htm](http://www.co.san-bernardino.ca.us/acr/pdf_download.htm). The financial statements for some of the component units, blended and discretely presented, may be audited by other external Certified Public Accountants or by the Internal Audits Section of ATC.

The Internal Audits Section (IAS) prepares the financial statements for IEPFC and SBCFA. IAS will also prepare the schedule of Expenditures of Federal Awards for the Single Audit. The selected vendor will have to prepare the financial statements for ARMC, San Bernardino County Flood Control District, and San Bernardino County Fire Protection District.

### **B. Description of County**

The County of San Bernardino, located in Southern California, was established by an act of the State Legislature on April 26, 1853, forming the County from the eastern part of Los Angeles County. The County is a charter law county divided into five supervisorial districts on the basis of registered voters and population. The County, largest in the State in terms of area, encompasses an area of over 20,000 square miles and includes twenty-four incorporated cities. As of the 2010 census, the estimated population is 2,035,210.

The County provides a wide range of services to its residents, including police and fire protection, medical and health services, education, senior citizen assistance, consumer affairs, library services, judicial institutions including support programs, airport service, parks, and a variety of public assistance programs. Other services provided by special districts, which are governed by the County Board of Supervisors, include fire protection, lighting, road maintenance, sanitation, and flood control. Some municipal services are provided by the County, on a contract basis, to incorporated cities within its boundaries.

### **C. Accounting System and Budgetary Control**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes and sales taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period, and recognized as revenue. The County considers items available if received within 9 months of year end, for voluntary non-exchange transactions such as federal and state grants. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when the payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

The County's internal accounting control system exists to provide reasonable assurances that assets are safeguarded against loss or unauthorized disposition and that financial information is supported by reliable financial records. The County's Internal Audits Section fulfills the duties of evaluating the internal accounting control system.

Budgetary control is maintained at the expenditure object series level, or sub-object level for fixed assets. Encumbrance accounting is utilized to assure effective budgetary control; purchase orders and contracts are reviewed and a determination is made that valid and sufficient appropriations exist for payment for ordered goods and services. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are recorded as reservations of fund balance for subsequent year expenditures in the system but included in the restricted, committed, and assigned fund balance classifications on the face of the governmental funds balance sheet in accordance with GASB 54.

The County's financial records are located within the County, primarily at ATC. Some records may be located at outlying County departments. The County utilizes the CGI accounting system which is called the Financial Accounting System (FAS) and the PeopleSoft payroll system which is called Employee Management and Compensation System (EMACS). ATC centrally processes most of the accounting information; however, there are several systems that interface into both systems. ARMC utilizes the Meditech Accounting System.

The total spending authority for the County and Board Governed Special Districts in 2010-11 is a combined total of \$4.9 billion. The General Fund spending authority totals \$2.5 billion. You can review the County budget for fiscal year 2011/12 at [www.sbcounty.gov](http://www.sbcounty.gov).

**D. Independent Audit**

The County's 2009/10 CAFR was audited by Vavrinek, Trine, Day & Co., LLP, certified public accountants.

**E. County Assistance and Cooperation**

County will ensure that the general ledgers of the County are closed and in balance no later than August 31 for each fiscal year end. The Flood Control and County Fire preliminary trial balances will be available no later than August 15 for each fiscal year end. County will give timely cooperation to the auditors, including providing adequate working space and reasonable access to County's books, records, files and personnel.

**VII. CONTRACT REQUIREMENTS**

**A. General**

**1. Legality and Severability**

The parties' actions under the Contract shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. If a provision of the Contract is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

**2. Taxes**

County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Vendor or on any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.

**3. Representation of the County**

In the performance of the Agreement, Vendor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the County of San Bernardino.

**4. Vendor Primary Contact**

The Vendor will designate an individual to serve as the primary point of contact for the Agreement. Vendor or designee must respond to County inquires within two (2) business days. Vendor shall not change the primary contact without written notification and acceptance of the County. Vendor will also designate a back-up point of contact in the event the primary contact is not available.

**5. Change of Address**

Vendor shall notify the County in writing of any change in mailing address within ten (10) business days of the change.

**6. Subcontracting**

Vendor agrees not to enter into any subcontracting agreements for work contemplated under the Agreement without first obtaining written approval from the County. Any subcontracting shall be subject to the same terms and conditions as Vendor. Vendor shall be fully responsible for the performance and payments of any subcontractor's contract.

**7. Agreement Assignability**

Without the prior written consent of the County, the Agreement is not assignable by Vendor either in whole or in part.

**8. Agreement Amendments**

Vendor agrees any alterations, variations, modifications, or waivers of the provisions of the Agreement, shall be valid only when reduced to writing, executed and attached to the original Agreement and approved by the person(s) authorized to do so on behalf of Vendor and the County.

**9. Termination for Convenience**

The County for its convenience may terminate this Agreement in whole or in part upon thirty (30) calendar day's written notice. Such adjustment shall provide for payment to the Vendor for services rendered and expenses incurred prior to the effective date of termination. Upon receipt of termination notice, Vendor shall promptly discontinue services unless the notice directs otherwise.

**10. Attorney Fees and Costs**

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorneys' fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under Part B-1 Indemnification.

**11. Venue**

The venue of any action or claim brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino, San Bernardino District.

**12. Electronic Fund Transfer Program**

Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.

**13. Licenses, Permits, and/or Certifications**

Vendor shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Vendor shall maintain these licenses, permits, and/or certifications in effect for the duration of this Agreement. Vendor will notify County immediately of loss or suspension of any such licenses, permits, and/or certifications. Failure to maintain required licenses, permits, and/or certifications may result in immediate termination of this Agreement.

**14. Prevailing Wage Laws (if applicable)**

By its execution of this Agreement, Contractor certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. As well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Vendor agrees to fully comply with such Prevailing Wage Laws. Vendor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Vendor's principal place of business and at the project site. Vendor will also adhere to any other applicable requirements, including but not limited to, those regarding the employment of apprentices, travel and subsistence pay, retention and inspection of payroll records, workers compensation and forfeiture of penalties prescribed in the Labor Code for violations. Vendor shall defend, indemnify and hold the County, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with Prevailing Wage Laws.

**15. Notification Regarding Performance**

In the event of a problem or potential problem that could impact the quality or quantity of work, services, or the level of performance under this Agreement, the Vendor shall notify the County within one (1) working day, in writing and by telephone.

**16. Conflict of Interest**

Vendor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of this contract or any competing offer, shall have any direct or indirect financial interest resulting from the award of this contract or shall have any relationship to the Vendor or officer or employee of the Vendor.

**17. Improper Consideration**

Vendor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement.

The County, by written notice, may immediately terminate any Agreement if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once an Agreement has been awarded.

Vendor shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Vendor. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

**18. Employment of Former County Officials**

Vendor agrees to provide or has already provided information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent Vendor. The information provided includes a list of former county administrative officials who terminated county employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of vendor. For purposes of this provision, "county administrative official" is defined as a member of the Board of Supervisors or such officer's staff, Chief Executive Officer or member of such officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

**19. Inaccuracies or Misrepresentations**

If in the administration of an Agreement, the County determines that Vendor has made a material misstatement, misrepresentation, or omission that materially inaccurate information has been provided to the County during the RFP process, the Agreement may be immediately terminated. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

**20. Invoices**

VENDOR shall submit detailed and correct invoices to the Chief Deputy Auditor, ATC. VENDOR shall not submit an invoice for Payment Events until after their occurrence. All invoices submitted must meet with the approval of the Chief Deputy Auditor or designee prior to payment. Invoices

shall include name of project, names of staff involved and total amount. County shall use reasonable efforts to provide a Notice to VENDOR within ten business days after receipt of an invoice, specifying the reasons why County believes the Charges are inaccurate or incorrect, but County shall not be in breach of the Contract if it fails to provide VENDOR with such Notice. In the event of any dispute with regard to a portion of an invoice, the undisputed portion shall be paid as provided herein. County shall pay VENDOR undisputed amounts within the normal processing time.

**21. Ownership of Documents**

Audit documentation is the property of the auditor. The auditor may make available to County at the auditor's discretion copies of the audit documentation, provided such disclosure does not undermine the independence or the validity of the audit process.

**22. Release of Information**

No news releases, advertisements, public announcements or photographs arising out of this Agreement or Vendor's relationship with County may be made or used without prior written approval of the County.

**23. Damage to County Property, Facilities, Buildings or Grounds**

The Vendor shall repair, or cause to be repaired, at its own cost, all damage to County vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Vendor or employees or agents of the Vendor. Such repairs shall be made immediately after Vendor becomes aware of such damage, but in no event later than thirty (30) days after the occurrence.

If the Vendor fails to make timely repairs, the County may make any necessary repairs. The Vendor, as determined by the County, for such repairs shall repay all costs incurred by the County, by cash payment upon demand or County may deduct such costs from any amounts due to the Vendor from the County.

**24. Air, Water Pollution Control, Safety and Health**

VENDOR shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this contract.

**25. Drug and Alcohol-Free Workplace**

In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this agreement, the Vendor agrees that the Vendor and the Vendor's employees, while performing service for the County, on County property, or while using County equipment:

- a. Shall not be in any way impaired because of being under the influence of alcohol or a drug.
- b. Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
- c. Shall not sell, offer, or provide alcohol or a drug to another person.

This shall not be applicable to a Vendor or Vendor's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Vendor shall inform all employees that are performing service for the County on County property, or using County equipment, of the County's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.

The County may terminate for default or breach of this agreement and any other agreement the Vendor has with the County, if the Vendor or Vendor's employees are determined by the County not to be in compliance with above.

**26. Notice of Delays**

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

**27. Disclosure of Criminal and Civil Proceedings**

The County reserves the right to request the information described herein from the vendor selected for contract award. Failure to provide the information may result in a disqualification from the selection process and no award of contract to the vendor. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected vendor also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected vendor may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the vendor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected vendor may also be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the vendor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the county. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

**28. Environmental Requirements**

In accordance with County Policy 11-10, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The County requires Vendors to use recycled paper for proposals and for any printed or photocopied material created as a result of a contract with the County. The policy also requires Vendors to use both sides of paper sheets for reports submitted to the County whenever practicable.

Although the County has not committed to allowing a cost preference, if two products are equivalent and the cost is feasible the environmentally preferable product would be selected. The intent is to

utilize vendors that reduce environmental impacts in their production and distribution systems whenever fiscally practicable.

To assist the County in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB939), vendor must be able to annually report the County's environmentally preferable purchases using Exhibit I. Service providers are asked to report on environmentally preferable goods and materials used in the provision of their service to the County.

## **29. American-Recovery and Reinvestment Act Funding (ARRA)**

### **Use of ARRA Funds and Requirements**

This Contract may be funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 ("ARRA"), signed into law on February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alteration, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three limited circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the "Buy American" requirement. Request for a waiver must be made to the County for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 31). This is referred to as the "wage rate" requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage rate requirements. Contractor must contact the County contact if it has any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. Contractor will also be required to provide detailed information regarding compliance with the Buy American requirements, expenditure of funds and wages paid to employees so that the County may fulfill any reporting requirements it has under ARRA. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the County pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

Contractor may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have its subcontractors also register in the same database. Contractor must contact the County with any questions regarding registration requirements.

### Whistleblower Protection

Contractor agrees that both it and its subcontractors shall comply with Section 1553 of the ARRA, which prohibits all non-Federal contractors, including the State, and all contractors of the State, from discharging, demoting or otherwise discriminating against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract relating to ARRA funds; (2) a gross waste of ARRA funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of ARRA funds; (4) an abuse

of authority related to the implementation or use of recovery funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) awarded or issued relating to ARRA funds.

*Contractor agrees that it and its subcontractors shall post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA.*

## **B. Indemnification and Insurance Requirements**

### **1. Indemnification**

The Vendor agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of this contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The Vendor indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

#### **Additional Insured**

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

#### **Waiver of Subrogation Rights**

The Vendor shall require the carriers of the above-required coverage's to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, Vendors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Vendor and Vendor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Vendor hereby waives all rights of subrogation against the County.

#### **Policies Primary and Non-Contributory**

All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

#### **Severability of Interests**

The Vendor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Vendor and the County or between the County and any other insured or additional insured under the policy.

#### **Proof of Coverage**

The Contractor shall furnish Certificates of Insurance to the County Department administering the contract evidencing the insurance coverage at the time the contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the

completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

**Acceptability of Insurance Carrier**

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII".

**Deductibles and Self-Insured Retention**

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

**Failure to Procure Coverage**

In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Vendor or County payments to the Vendor(s)/Applicant(s) will be reduced to pay for County purchased insurance.

**Insurance Review**

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interest of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. Vendor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

2. **Insurance Specifications**

The Vendor agrees to provide insurance set forth in accordance with the requirements herein. If the Vendor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Vendor agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Vendor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

**Workers' Compensation/Employers Liability**

A program of Workers' Compensation insurance or a State-approved Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California,

including Employer's Liability with \$250,000 limits, covering all persons providing services on behalf of the Vendor and all risks to such persons under this Contract.

If Vendor has no employees, it may certify or warrant to County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Vendors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

#### **Commercial/General Liability Insurance**

The Vendor shall carry General Liability Insurance covering all operations performed by or on behalf of the Vendor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations)
- d. Explosion, collapse and underground hazards.
- e. Personal Injury
- f. Contractual liability
- g. \$2,000,000 general aggregate limit

#### **Automobile Liability Insurance**

Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Vendor is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Vendor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

#### **Umbrella Liability Insurance**

An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

#### **Professional Services Requirements**

**Professional Liability** – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million (\$2,000,000) aggregate limits

or

**Errors and Omissions Liability Insurance** with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits

## **VIII. PROPOSAL SUBMISSION**

### **A. General**

1. All interested and qualified Vendors are invited to submit a proposal for consideration. Submission of a proposal indicates that the vendor has read and understands the entire RFP, to include all appendixes, attachments, exhibits, schedules, and addendum (as applicable) and all concerns regarding the RFP have been satisfied.
2. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
3. Proposals must be completed in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.
4. All proposals and materials submitted become property of the County. All proposals received are subject to the "California Public Records Act". While the County takes every measure permissible to keep all "proprietary information" identified, Vendors are asked to label the information "PROPRIETARY" and enclose it in a separate envelope marked as such.
5. Proposals must be received no later than the date and time at the designated location as specified in Section I-H.
6. All proposals and materials submitted become the property of the County.

### **B. Proposal Presentation**

1. All proposals must be submitted on 8 ½ x 11 paper, neatly typed, double-sided on recycled paper, with normal (1-inch) margins and single-spaced. Typeface must be no more than 12 characters per inch. Each page, including attachments, must be clearly and consecutively numbered at the bottom center of each page.
2. One (1) original and five (5) copies, for a total of six (6), of the complete proposal must be received by the deadline for receipt of proposal specified in Section II-Proposal Timeline. The original and all copies must be in a sealed envelope or container stating on the outside: Vendor Name, Address, Telephone Number, RFP number, RFP Title, and Proposal due date.
3. Hand carried proposals may be delivered to the address identified in Section I. Paragraph F-Correspondence, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding holidays observed by the County. Vendors are responsible for informing any commercial delivery service, if used, of all delivery requirements, and for ensuring that the address information appears on the outer wrapper or envelope used by such service.

The County reserves the right to reject any and all proposals or portions of proposal or alternates received by reasons of this request, to negotiate separately with any source whatsoever in any manner necessary to serve its interests.

### **C. Proposal Format**

Response to this RFP must be in the form of a proposal package, which must be submitted in the following format:

#### **1. Cover Page**

Attachment A is to be used as the cover page. This form must be fully completed and signed by an authorized officer of the Vendor and must include the following information:

- a. A statement that the proposal is submitted in response to the Request for Proposal for Multi-Year Auditing Services.
- b. A statement indicating which individuals, by name, title, address and phone number are authorized to negotiate with the County on behalf of the organization/firm.
- c. A statement certifying that the undersigned, under penalty of perjury, is an agent authorized to submit proposals on behalf of the organization/firm.

#### **2. Table of Contents**

All pages of the proposal, including the enclosures, must be clearly and consecutively numbered and correspond to the Table of Contents.

#### **3. Statement of Qualifications**

Include the following in this section of the proposal:

- a. A narrative statement describing respondent's firm, staff, length of time in business and other pertinent items that will insure proper evaluation of the proposal.
- b. Resumes of principals who have at least five (5) years of continuous experience in the field of Auditing Services in accordance with Government Auditing Standards.
- c. Submit resumes of each individual who will provide such services. These individuals will be designated "key personnel" and may not be reassigned without prior approval of the County.
- d. Provide information on any legal action, suit, proceeding or investigation by any public agency or other governmental board that has been brought within the last five (5) years or is threatened against your firm, including any principals, members or "key personnel" as defined above.
- e. Any of your firm's present and former clients in connection with matters in which your firm performed services and of which your firm has knowledge.
- f. The information provided on any action, suit, proceeding or investigation must include the name of the matter, the court, Board, body or agency before which the matter was or is being heard, the nature of the matter and the status of such matter.
- g. Proof of licenses, as applicable.
- h. Current AICPA or California Board of Accountancy peer review report
- i. Recycled Paper Products Statement.
- j. Proposed fee and Work Plan:
  - 1) Hours and rate per hour for each individual or levels to be assigned to this project.
  - 2) Hours, rate per hour and total charge for each of the following by each fiscal year audit:
    - CAFR
    - ARMC
    - IEPFC
    - SBCFA
    - San Bernardino County Flood Control District
    - San Bernardino County Fire Protection District
    - Single Audit
    - Gann Appropriation Limit

- 3) Work Plan that will document submission of final report by the due dates under Section IV.B as well as to identify the specific tasks.
  - k. Location of offices providing services to the County.
  - l. Any qualifications not previously described that make your firm unique.
  - m. Failure to provide all of the above requirements may result in a rejected proposal.
4. **Minimum Proposer Requirements**  
Completed, initialed, and signed Minimum Proposer Requirement, Attachment B.
  5. **Exceptions to RFP**  
Complete Attachment C and include in submitted proposal.
  6. **Statement of Certification**  
Include the following on Attachment D:
    - a. A statement that the offer made in the proposal is firm and binding for 180 days from the date the proposal is opened and recorded.
    - b. A statement that all aspects of the proposal, including cost, have been determined independently, without consultation with any other prospective Vendor or competitor for the purpose of restricting competition.
    - c. A statement that all declarations in the proposal and attachments are true and that this shall constitute a warranty, the falsity of which will entitle the County to pursue any remedy by law.
    - d. A statement that the Vendor agrees that all aspects of the RFP and the proposal submitted shall be binding if the proposal is selected and a Contract awarded.
    - e. A statement that the Vendor agrees to provide the County with any other information the County determines is necessary for an accurate determination of the Vendor's ability to perform the services as proposed; and
    - f. A statement that the prospective Vendor, if selected will comply with all applicable rules, laws and regulations.
  7. **References**  
Provide five (5) references from other clients, three (3) of which should be public entities, whom you now work with or have worked with within the last three (3) years and have established a contract of this nature, of same or similar size as the County. (attachment E)
  8. **Proposal Description**  
Provide a detailed description of the proposal being made.
    - a. The proposal should address, but is not limited to, all terms in Section IV-Scope of Work.
    - b. The proposal should include the following:
      - i. A brief synopsis of the Vendor's understanding of the County's needs and how the Vendor plans to meet these.
      - ii. A concise statement of the services (and product, if applicable) proposed.
      - iii. An explanation of any assumptions and/or constraints.
  9. **Statement of Qualifications**  
Include the following in this section of the proposal:
    - a. Number of years the prospective Vendor has been in business under the present business name, as well as related prior business names.
    - b. Statement that the Vendor does not have any commitments or potential commitments which may impact the Vendor's ability to perform this Contract.
    - c. A list of references with which vendor has provided similar services during the last five (5) years. Please include the name, address, and telephone number, and the type of services provided.

Please include a contact person who the County can call in order to verify the quality of services your organization/firm has provided.

**10. Licenses, Permits, and/or Certifications**

Provide copies of all licenses, permits and/or certifications as required under Section VII A, Paragraph 13-Licenses, Permits and/or Certifications.

**11. Cost**

Complete proposed pricing on Attachment F.

**12. Employment of Former County Officials**

Provide information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent your business. The information provided must include a list of former county administrative officials who terminated county employment within the last five years and who are now officers, principals, partners, associates or members of the business and should also include the employment and/or representative capacity and the dates these individuals began employment with or representation of your business. For purposes of this section, "county administrative official" is defined as a member of the Board of Supervisors or such officer's staff, Chief Executive Officer or member of such officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

Failure to provide this information may result in the response to the request for proposal being deemed non-responsive.

**13. Insurance**

Submit evidence of ability to insure as stated in Section VII, Paragraph B-Indemnification and Insurance Requirements.

**IX. EVALUATION AND AWARD**

**A. General Evaluation Process**

All proposals will be subject to a standard review process developed by the County. A primary consideration shall be the effectiveness of the Proposer(s) to deliver the Multi-Year Auditing Services as described in this RFP.

Proposers identified as "finalists" may be asked to submit samples of previous work. Evaluation of the finalists' proposals may include the quality of requested work samples, results of references, and oral presentation before an Evaluation panel. The Evaluation Committee will make the final decision(s) as to which proposal(s) will be recommended to the Board of Supervisors for contractual consideration and approval.

**B. Evaluation Criteria**

1. **Initial Review (Pass/Fail)** - All proposals will be initially evaluated as follows to determine if they are eligible to be considered and evaluated:

- a. The proposal must be complete, in the required format, and comply with all RFP requirements.
- b. Vendors must meet the Minimum Proposer Requirements as outlined in Section I, Paragraph C-Minimum Proposer Requirements. Failure to meet all of these requirements will result in a non-responsive proposal that will be rejected with no further evaluation or consideration. No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation and if

the irregularity, defect or variation is considered by the County to be immaterial or inconsequential, the County may choose to accept the proposal. In such cases the Vendor will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation or the County may elect to waive the deficiency and accept the proposal.

2. **Technical Review** - Proposals meeting the above requirements will be evaluated on the basis of the following criteria:
  - a. Proposers' qualifications, personnel, and experiences in providing these services.
  - b. Proposed examination services and strategies.
  - c. Cost.

3. **Interview (Optional)**

4. **Final Selection**

While cost is a major consideration in the evaluations process, selection will be based on the determination of which proposal will best meet the needs of the County and the requirements of the RFP.

The awarding of a Contract is not a guarantee or promise of a particular number of files, percentage of the potential business, or assignment of a particular category of business. The County retains sole discretion to distribute the business in accordance with its own internal policies and practices.

Cost of service is one factor in the evaluation process, but the County is not obligated to accept the lowest cost proposal. Ability to provide quality service in a timely manner in accordance with the RFP requirements is critical to a successful proposal. Award of Contract(s) may or may not be on an all or nothing basis. The County reserves the option to make award(s) as it deems to be in the best interest of the County.

**C. Contract Award**

Contract(s) will be awarded based on a competitive selection of proposals received. The contents of the proposal of the successful Proposer will become contractual obligations and failure to accept these obligations in a contractual agreement may result in cancellation of the award.

**D. Disputes Relating to Proposal Process and Award**

In the event a dispute arises concerning the proposal process prior to the award of the contract, the party wishing resolution of the dispute shall submit a request in writing to the Director of Purchasing. Proposers may appeal the recommended award or denial of award, provided the following stipulations are met:

1. Appeal must be in writing.
2. Must be submitted within ten (10) calendar days of the date of the recommended award or denial of award letters.

An appeal of a denial of award can only be brought on the following grounds:

1. Failure of the County to follow the selection procedures and adhere to requirements specified in the RFP or any addenda or amendments.
2. There has been a violation of conflict of interest as provided by California Government Code Section 87100 et seq.
3. A violation of State or Federal law.

Appeals will not be accepted for any other reasons than those stated above. All appeals must be sent to:  
Laurie Rozko, Director  
County of San Bernardino

Purchasing Department  
777 E. Rialto Avenue  
San Bernardino, CA 92415-0760

The County Purchasing Agent shall make a decision concerning the appeal, and notify the Vendor making the appeal, within a reasonable timeframe prior to the tentatively scheduled date for awarding the contract. The decision of the County Purchasing Agent shall be deemed final.

**ATTACHMENT A – COVER PAGE**

**PROPOSER'S NAME** (*name of firm, entity, or organization*):

\_\_\_\_\_  
\_\_\_\_\_

**FEDERAL EMPLOYER IDENTIFICATION NUMBER:**

\_\_\_\_\_

**NAME AND TITLE OF VENDOR'S CONTACT PERSON:**

\_\_\_\_\_

**MAILING ADDRESS:**

Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

**TELEPHONE NUMBER:** \_\_\_\_\_

**FAX NUMBER:** \_\_\_\_\_

**EMAIL ADDRESS:** \_\_\_\_\_

**VENDOR'S ORGANIZATIONAL STRUCTURE**

Corporation     Partnership     Proprietorship     Joint Venture

Other (explain): \_\_\_\_\_

If Corporation,    Date Incorporated: \_\_\_\_\_ State Incorporated: \_\_\_\_\_

States Registered in as foreign corporation: \_\_\_\_\_

**VENDORS SERVICES OR BUSINESS ACTIVITIES OTHER THAN WHAT THIS RFP REQUESTS:**

\_\_\_\_\_  
\_\_\_\_\_

**VENDOR'S AUTHORIZED SIGNATURE:**

The undersigned hereby certifies that this proposal is submitted in response to this solicitation.

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**ATTACHMENT B – MINIMUM PROPOSER REQUIREMENTS**

The following requirements apply to all prospective proposers.

Requirement	Agree (initial)	Disagree with qualification (initial and attach explanation)
1. Have at least five (5) years of experience in auditing large governmental activities which includes a medical center.		
2. Must be a Certified Public Accountant (CPA) or employed by a CPA firm licensed by the State of California Department of Consumer Affairs.		
3. Provide five (5) references (Attachment E) from other clients, three (3) of which should be public entities, whom Proposer now works with or has worked with within the last three (3) years and has established a contract of this nature, of same or similar size as the County of San Bernardino. Provide Agency, Contact Name, Address, Phone Number, email address, dates services were provided and types of services provided.		
4. Have no record of unsatisfactory performance. Vendors who are or have been seriously deficient in current or recent contract performance, in the absence of circumstances properly beyond the control of the Vendor, shall be presumed to be unable to meet this requirement.		
5. Be independent companies with no ties to any entities listed in the "Scope of Work" section of this document (Section IV).		
6. Have a current AICPA or California Board of Accountancy peer review report.		
7. Have the ability to maintain adequate files and records.		
8. Have the administrative and fiscal capability to provide and manage the proposed services.		
9. Meet other presentation and participation requirements listed in this RFP.		

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**ATTACHMENT C – EXCEPTIONS TO RFP**

PROPOSER NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

TELEPHONE# ( ) \_\_\_\_\_ FAX # ( ) \_\_\_\_\_

I have reviewed the RFP and General Contract Terms in their entirety and have the following exceptions:  
(Please identify and list your exceptions by indicating RFP, the Section or Paragraph number, and Page  
number, as applicable. Be specific about your objections to content, language, or omissions. Add as many  
pages as required.)

Name of Authorized Representative \_\_\_\_\_

Signature of Authorized Representative \_\_\_\_\_

Date \_\_\_\_\_

**ATTACHMENT D – STATEMENT OF CERTIFICATION**

The following statements are incorporated in our response to the County of San Bernardino.

	<b>Statement</b>	<b>Agree (initial)</b>	<b>Disagree with qualification (initial and attach explanation)</b>
1.	The offer made in the proposal is firm and binding for 180 days from the date the proposal is opened and recorded.		
2.	All aspects of the proposal, including cost, have been determined independently, without consultation with any other prospective Vendor or competitor for the purpose of restricting competition.		
3.	All declarations in the proposal and attachments are true and that this shall constitute a warranty, the falsity of which will entitle the County to pursue any remedy by law.		
4.	Proposer agrees that all aspects of the RFP and the proposal submitted shall be binding if the proposal is selected and a Contract awarded.		
5.	Proposer agrees to provide the County with any other information the County determines is necessary for an accurate determination of the Vendor's ability to perform the services as proposed; and		
6.	Proposer, if selected will comply with all applicable rules, laws and regulations.		

**ATTACHMENT E – REFERENCES**

<b>Agency/ Organization</b>	<b>Contact Name/Address</b>	<b>Phone Number/ Email Address</b>	<b>Dates services provided (from/to*)</b>	<b>Description of Services Provided</b>

Provide a minimum of five (5) references from other clients, three (3) of which should be public entities, whom Proposer now works with or has worked with within the last three (3) years .

### **ATTACHMENT F – COST**

*Please provide proposed costs for the Scope of Work-Services listed in Section IV-A. Please show breakdown as follows:*

- CAFR
  
- ARMC
  
- IEPFC
  
- Flood Control District
  
- Fire Protection District
  
- Single Audit
  
- Gann Appropriation Limit

**ATTACHMENT G – PROPOSAL CHECKLIST**

**Use this checklist to ensure that all items requested have been included.**

<b>Items Completed</b>		<b>Page (s)</b>
1.	Attachment A – Cover Page	25
2.	Attachment B – Minimum Proposer Requirements	26
3.	Attachment C – Exceptions to RFP	27
4.	Attachment D – Statement of Certification	28
5.	Attachment E – References	29
6.	Attachment F – Cost	30
8.	Other Requirements Listed under Proposal Submission, Section VIII	19-22