

City of Lovington



REQUEST FOR PROPOSALS

RFP 0318-01

FINANCIAL AUDIT SERVICES

Due Date & Time

MARCH 29, 2018
10:00 a.m. (MST)

SUBMIT BID PROPOSALS TO:

Gary L. Chapman
Finance Director
City of Lovington
214 S. Love St.
Lovington, NM 88260
gchapman@lovington.org

with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. MERGER

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. PENALTIES FOR VIOLATION OF LAW

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

21. EQUAL OPPORTUNITY COMPLIANCE

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from

employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor shall follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510.A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is _____. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor on or before December 1, 2018.

AUDIT CONTRACT SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

CONTRACTOR

City of Lovington

PRINTED NAME: _____

PRINTED NAME: _____

SIGNATURE: _____

SIGNATURE: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

STATE AUDITOR CONTRACT NO. FY _____ - _____

APPENDIX D

Campaign Contribution Disclosure Form

Pursuant to NMSA 1978, § 13-1-191.1 (2006), any person seeking to enter into a contract with any state agency or local public body **for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources** must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

Furthermore, the state agency or local public body shall void an executed contract or cancel a solicitation or proposed award for a proposed contract if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

"Pendency of the procurement process" means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Person" means any corporation, partnership, individual, joint venture, association or any other private legal entity.

"Prospective contractor" means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Name of Applicable Public Official: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s): _____

Nature of Contribution(s): _____

Purpose of Contribution(s): _____

(Attach extra pages if necessary)

Signature

Date

Title (position)

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member, or representative.

Signature

Date

Title (position)

Appendix E

Vendor Conflict of Interest and Debarment/Suspension Certification Form

Conflict of Interest

No employee or the City of Lovington has a direct or indirect interest in the Contractor or in the proposed transaction (unless Contractor is a publicly traded company and the employee or Trustee's interest is less than one percent of the Contractor). Contractor neither employs nor is negotiating to employ any City of Lovington employees or member of the City of Lovington Commission. Contractor did not participate directly or indirectly in the preparation of specifications upon which the quote or offer is made.

If the Contractor is a New Mexico State Legislator or if a New Mexico State Legislator holds a controlling interest in Contractor, please identify Legislator: _____

List below the name and social security number of any employee of the Contractor or person assisting in the proposed transaction in any way who was a City of Lovington employee or member of the City of Lovington Commission within the preceding 12-month period.

Debarment/Suspension Status

- 1. The Contractor certifies that it is not suspended, debarred or ineligible from entering into contracts with the Executive Branch of the Federal Government, or in receipt of a notice or proposed debarment from any Agency.
- 2. The Contractor agrees to provide immediate notice to the City of Lovington's Finance Directors Office in the event of being suspended, debarred or declared ineligible by any department or Federal Agency, or upon receipt of a notice of proposed debarment that is received after the submission of the quote or offer but prior to the award of the purchase order or contract.

Certification

The undersigned hereby certifies that he/she has read the above Conflict of Interest and Debarment/Suspension Status requirements and that he/she understands and will comply with these requirements. The undersigned further certifies that they have the authority to certify compliance for the Contractor named below.

Signature: _____ Title: _____

Company: _____ Date: _____

Appendix F
Evaluation of Proposal
CITY OF LOVINGTON
RFP 0318-01
FINANCIAL AUDIT SERVICES

Name of Offeror: _____
Contact: _____

Evaluator: _____
Date Completed: _____

Evaluation Point Summary

The following is a summary of evaluation factors with point value assigned to each or a Pass/Fail evaluation. These, along with the general requirements, will be used in the evaluation of individual Offeror proposals.

Requirements	Points Available	Score
Letter of Transmittal Form	0*	
Approved Independent Public Accountant	0*	
IPA Capabilities	20	
Work Requirements and Audit Approach	25	
Technical Experience	25	
Capability and Agreement to Perform	0*	
Campaign Contribution Disclosure Form	0*	
Cost	30	
TOTAL	100	

*Pass/Fail Only

Points will be awarded based on the evaluation factors found below, as indicated.

EVALUATION FACTOR DESCRIPTIONS ARE FOUND ON NEXT PAGE

Evaluation Factors: Mandatory Requirements

1. Letter of Transmittal Form (0 Points) Pass/Fail Only.
2. Approved Independent Public Accountant (0 Points) Pass/Fail Only.
3. IPA Capabilities (20 Points): Points will be awarded based on the strength and convincingness of the Offeror’s response as well as reserve capacity should additional resources be required to deal with unexpected situations. Offeror responses will also be compared to submittals from other Offerors under this RFP.
4. Work Requirements and Audit Approach (25 Points): Points will be awarded based on the strength and convincingness of the Offeror’s response as related to their apparent understanding of the work to be accomplished, their definition and explanation of resources that will be needed from City of Lovington staff, the planning and groundwork to be laid for audits in subsequent years as well as the overall clarity of their response and perceived likelihood of success of their audit approach. Offeror responses will also be compared to submittals from other Offerors under this RFP
5. Technical Experience (25 Points): Points will be awarded based on number, variety and complexity of audits the offer has performed as well as depth and breadth of evidence of participation in continued education and other opportunities to further their knowledge in the area of state and local government audits.
6. Capability and Agreement to Perform (0 Points) Pass/Fail only.
7. Campaign Contribution Disclosure Form (0 Points) Pass/Fail only.
8. Cost (30 Points): Points will be awarded based on the total cost proposed on the Cost Response Form and calculated using the following formula:

$$\text{Offeror's Points} = \frac{\text{Lowest Annual Proposed Cost}}{\text{This Offeror's Annual Proposed Cost}} \times 30$$

Evaluation Factors: Desirable Requirements

There are no desirable requirements associated with this procurement.

Appendix G

**Cost Response Form
CITY OF LOVINGTON
RFP 0318-01
FINANCIAL AUDIT SERVICES**

State gross receipts shall not be included in the Total Proposed Cost

OFFEROR NAME: _____

Breakdown	FYE 6/30/2018		FYE 6/30/2019		FYE 6/30/2020	
	Hours	Cost	Hours	Cost	Hours	Cost
Financial Statement Audit		\$		\$		\$
Federal Single Audit		\$		\$		\$
Financial Statement Preparation		\$		\$		\$
Other (i.e. Enterprise, Special Revenue)		\$		\$		\$
Subtotal		\$		\$		\$

TOTAL 3 YEAR COST: _____

Appendix H
Resident /Veterans Preference
Certification

_____ (NAME OF CONTRACTOR) hereby certifies the following in regard to application of the resident veterans' preference to this procurement:

Please check one box only

Veteran Resident

Businesses:

- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$1M allowing me the 10% preference discount on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$1M but less than \$5M allowing me the 8% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$5M allowing me the 7% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

Resident Businesses:

- I declare under penalty of perjury that my business is a New Mexico resident business allowing me the 5% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

"I agree to submit a report, or reports, to the State Purchasing Division of the General Services Department declaring under penalty of perjury that during the last calendar year starting January 1 and ending on December 31, the following to be true and accurate:

"In conjunction with this procurement and the requirements of this business' application for a Resident Veteran Business Preference/Resident Veteran Contractor Preference under Sections 13-1-21 or 13-1-22 NMSA 1978, when awarded a contract which was on the basis of having such veterans preference, I agree to report to the State's Division of the General Services Department the awarded amount involved. I will indicate in the report the awarded amount as a purchase from a public body or as a public works contract from a public body as the case may be.

"I understand that knowingly giving false or misleading information on this report constitutes a crime."

I declare under penalty of perjury that this statement is true to the best of my knowledge. I understand that giving false or misleading statements about material fact regarding this matter constitutes a crime.

Resident Business/Veteran Business Certificate Number:

(Signature of Business Representative)*

(Date)

*Must be an authorized signatory for the Business.

The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or un-award of the procurement involved if the statements are proven to be incorrect.

A valid New Mexico Resident Business or New Mexico Veterans' Resident Business Certificate number must be provided in order to receive preference.