

# CITY of CARPINTERIA, CALIFORNIA



Date: January 11, 2023

Subject: REQUEST FOR PROPOSALS – Professional Auditing Services

To interested and qualified firms:

The City of Carpinteria, Administrative Services Department is soliciting Proposals from qualified firms to provide professional auditing services.

Interested and qualified firms shall submit three (3) copies of their Proposals no later than 5:00 PM February 10, 2023 to:

Professional Auditing Proposal  
ATTN: Gilbert Punsalan, Administrative Services Department  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

If you have any questions, please contact Gilbert Punsalan via email: [gilbertp@carpinteriaca.gov](mailto:gilbertp@carpinteriaca.gov).

This RFP and Attachments are posted on the City's website under the Administrative Services Department.

Please review the requirements of the RFP and submit your proposal by the date specified.

Issued by:

A handwritten signature in blue ink, appearing to read "Licette Maldonado".

Licette Maldonado  
Administrative Services Department  
City of Carpinteria

**CITY OF CARPINTERIA  
REQUEST FOR PROPOSAL  
PROFESSIONAL AUDITING SERVICES  
FOR THE CITY OF CARPINTERIA**



**Proposal Release Date:**  
Wednesday, January 11, 2023

**Questions Due by:**  
Friday, February 3, 2023  
5:00 PM

**Proposal Submittal Due Date and Time:**  
Friday, February 10, 2023  
5:00 PM

**COMPLETE AND DELIVER OR MAIL THE ENTIRE RFP AND THREE COPIES IN A SEALED ENVELOPE CLEARLY MARKED "PROFESSIONAL AUDITING PROPOSAL" TO THE ADDRESS BELOW.**

Prepared by  
City of Carpinteria  
Administrative Services Department  
5775 Carpinteria Avenue  
Carpinteria, CA 93013  
(805) 880-3406

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## I. INTRODUCTION

The City of Carpinteria (City) is seeking proposals from qualified independent certified public accounting firms to audit the City's financial statements for three (3) fiscal years beginning with the fiscal year ending June 30, 2023, with an option to extend the contract for two (2) years in one-year increments.

These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Uniform Grant Guidance/Super Circular Audits of State and Local Governments and Non-Profit Organizations as well as other applicable laws regulations and rules.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the submitted proposal and confirmed in the contract between the City and the firm selected.

The City reserves the right to make such changes in the Request for Proposal as it may deem appropriate. Any changes in the Request for Proposal shall be made by a written addendum, which shall be issued by the City to all prospective firms who have been issued a copy of the Request for Proposal or who have notified the City that a copy of the Request for Proposal has been obtained.

To be considered, three (3) copies of the proposal must be received no later than 5:00 p.m., February 10, 2023.

It is anticipated that the selection of a firm will be completed by February 28, 2023. Following the notification of the selected firm and Council approval, it is expected that a contract will be executed between both parties by March 27, 2023.

All questions and correspondence should be directed to Gilbert Punsalan, Finance Manager at [gilbertp@carpinteriaca.gov](mailto:gilbertp@carpinteriaca.gov) with the Subject Line: "**RFP for Professional Auditing Services**".

**Contact with personnel of the City other than the above regarding this request for proposal may be grounds for elimination from the selection process.**

The City's Annual Comprehensive Financial Reports (ACFR) are available on the City's website at <https://carpinteriaca.gov/>.

## **II. NATURE OF SERVICES REQUIRED**

### **A. General**

The City desires an Annual Comprehensive Financial Report (ACFR) to be prepared and audited by the independent auditor for the fiscal year ended June 30, 2023, and each of the subsequent years included in the audit firm's contract with the City. The City will submit the ACFR to the Government Finance Officers' Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting Program.

### **B. Auditing Standards to be Followed**

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

1. Auditing standards generally accepted in the United States of America as set forth by the American Institute of Certified Public Accountants or any successor body;
2. The standards applicable to financial audits contained in the most recent version of *Government Auditing Standards*, issued by the Comptroller General of the United States;
3. The provisions of the Single Audit Act as amended;
4. The audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and
5. Any other applicable standards for conducting examinations of those items outlined in the Scope of Services and /or reports to be issued in conjunction therewith outlined in the section Reports to be issued.

### **C. Reports to be Issued**

Following the completion of the audit of the fiscal year's financial statements, the Auditor shall prepare and issue the following reports:

1. The City's Annual Comprehensive Financial Report. The report shall be in accordance and/or compliance with the latest GASB pronouncements and requirements of other regulatory agencies.
2. The City's Single Audit Report. The report shall be in accordance with the provisions of the Single Audit Act, as amended, and the Uniform Guidance.
3. The Auditor shall issue a management letter that includes recommendations for improvements in internal controls considered non-reportable conditions.
4. The Auditor shall prepare the State Controller Cities Financial Transactions Report for the City.

D. Internal Control and Compliance Reports

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the 8 assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls. The reports on compliance shall include all instances of noncompliance.

Auditors shall assure themselves that the City is informed in each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention

9. Difficulties encountered in performing the audit

E. Special Considerations / Other Services

1. The firm shall provide a reasonable amount of technical assistance upon the City's request throughout the year, not to exceed 20 hours per year, at no additional cost.
2. The firm shall provide the Pension and OPEB journal entries and footnote disclosure for the City.
3. The firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City which will be prepared by the City.
4. The firm shall perform agreed-upon procedures pertaining to the City's and the Street Lighting District No. 1 Article XIII B Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.
5. It is expected that the selected firm will keep the City informed of new guidance and developments that may affect municipal accounting and finance.
6. Meetings shall be conducted prior to the commencement of fieldwork at the beginning of the audit and after the first draft of the financial statements have been prepared. The meetings shall be attended by the engagement partner or designated professional staff and City staff.
7. The firm shall be available to the City Council and management to answer questions related to audit findings.
8. Management is not aware of any unusual circumstances warranting an extended scope; however, if in due course of the examination evidence of such circumstances occurs, the auditors shall agree to provide the City with all ascertainable facts relative to such circumstances together with an estimate of additional services required and the additional cost thereof in order that proper contract modifications may be completed before commencing with such extended examination.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of seven (7) years (or the retention timeframe established by the professional standards, whichever is longer), unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available to the City or any government agencies included in the audit of federal grants.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

### III. DESCRIPTION OF THE GOVERNMENTS

#### A. City Profile

The City of Carpinteria was incorporated in 1965 as a “General Law” City governed by an elected five-member city council. The City has a population of approximately 13,154 and is predominantly a residential community. Carpinteria is located on the Central Coast about 100 miles north of Los Angeles.

The City has a Council-Manager form of government with five members on the City Council.

The City provides a range of municipal services including law enforcement, land use, development review and permitting; construction and maintenance of City streets, storm drains, bridges and similar infrastructure type assets; park maintenance and recreation program; and general administration. The City contracts the law enforcement services with County of Santa Barbara Sheriff Department.

For more information about the City, please visit <https://carpinteriaca.gov/>. A copy of previous years’ Annual Comprehensive Financial Reports can be obtained at <https://carpinteriaca.gov/city-hall/administrative-services-finance>.

#### B. Fund Structure

The City of Carpinteria uses the following fund types in its financial reporting:

<u>Fund Type</u>	<u>Number of Funds</u>
General Fund	1
Capital Projects Fund	1
Special Revenue Funds	16

#### C. Budgetary Basis of Accounting

The City of Carpinteria prepares its budget on a basis consistent with generally accepted accounting principles.

#### D. Accounting System

The City of Carpinteria’s financial software is Incode, a Tyler Technologies ERP Solution. In addition, the City utilizes Microsoft Office 2013 to create documents and spreadsheets.

#### **IV. TIME REQUIREMENTS**

##### **A. Proposal Calendar**

The following is a list of key dates, including the date proposals are to be submitted:

January 11, 2023	Request for Proposal Issued
February 10, 2023	Due date for proposals (5:00 pm local time)
February 15, 2023	Oral interviews of selected audit firms (if required)
February 28, 2023	Selection process completion date
March 27, 2023	Recommendation to City Council

##### **B. Audit Schedule**

The planning phase of the audit engagement may commence upon award by City Council and execution of the contract. The auditor shall provide the City with an audit plan and list of schedules to be prepared by City personnel prior to the beginning of fieldwork. Interim fieldwork will be expected to be performed in May or June (exception of fiscal year 2023 in August or September) with the final phase of fieldwork commencing in September each year. The City plans to have the books closed and all agreed-upon schedules available for the auditors by mid-September, approximately September 20 each year.

##### **C. Annual Report Due Dates**

November 15	Draft reports due (ACFR, Management Letter, Appropriations Limit Report, Single Audit)
November 30	Final reports due (ACFR, Management Letter, Appropriations Limit Report, Single Audit)

#### **V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

##### **A. City Administrative Services Department Staff**

The auditor's principal contact with the City will be Gilbert Punsalan, Finance Manager. Mr. Punsalan will coordinate the day-to-day assistance to be provided by the City to the auditor

Financial Management Services of the Administrative Services Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City, with the assistance of the auditor. City staff will assist the auditors in identifying and locating supporting documentation.

B. Workspace and Equipment

The City will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to a telephone, a printer, an internet connection, and photocopying and FAX machines.

C. Report Preparation

The Annual Comprehensive Financial Report shall be the responsibility of the audit firm. Report editing, audit letters and completeness shall be the responsibility of the auditor.

**IV. COORDINATION REQUIRED**

- A. All audit work will be coordinated with Mr. Gilbert Punsalan, Finance Manager, to facilitate staff scheduling and year-end closing.
- B. The auditor shall provide the Finance Manager with periodic progress reports while performing the audit fieldwork. These reports shall identify problems encountered or foreseen, deficiencies in work performed by City staff, disagreements over the application of accounting principles, and other items that could result in delay of the audit work or additional work.
- C. The City expects that the professional staff provided by the independent audit firm will be fully qualified with the appropriate experience, and that answers and guidance will be provided by audit executives to senior and junior staff.

**VI. PROPOSAL REQUIREMENTS**

A. General Requirements

1. Three (3) copies of proposals must be submitted to the City by 5:00 p.m. on February 10, 2023.
2. Proposals will be accepted only from parties that are free of all obligations and interest that might conflict with the best interest of the City.
3. The proposal of the successful firm shall be incorporated as part of the contract.
4. All inquiries, technical or otherwise, regarding this proposal process should be directed to:

Gilbert Punsalan  
Finance Manager  
5775 Carpinteria Avenue  
Carpinteria, CA 93013  
gilbertp@carpinteriaca.gov

**Contact with personnel of the City other than the above regarding this request for proposal may be grounds for elimination from the selection process.**

B. Proposal Format

To achieve a uniform review process and obtain the maximum degree of comparability, proposals shall be organized in the following manner:

1. Title Page

Show the Request for Proposal subject, the name of your firm, local address, telephone number, name of contact person, alternate contact person, e-mail address(es) and the proposal date.

2. Table of Contents

Clearly identify the material by section and page number.

3. Signed Letter of Transmittal

Briefly state the proposer's understanding of the work to be done; the commitment to perform the work within the time period; a statement why the firm believes itself to be best qualified to perform the engagement; a statement that the proposal is a firm and irrevocable offer to fiscal years 2022-23, 2023-24, and 2024-25; and signed by the person authorized to represent the audit firm.

4. Contents of the Proposal

The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the firm seeking to undertake an independent audit of the City in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than the form or manner of presentation. The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The proposal should address all points outlined in the Request for Proposal. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

a. License to Practice in California

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

b. Independence

The firm should provide an affirmative statement that it is independent of the City of Carpinteria as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

The firm should also list and describe the firm's professional relationship involving the City for the past five (5) years, together with a statement explaining why such relationship does not constitute a conflict of interest relative to performing the proposed audit.

c. Firm Qualifications and Experience

To qualify, the firm must have extensive experience in governmental audits of cities in the State of California, as well as experience with preparation of Comprehensive Annual Financial Reports.

1. State whether your audit organization is national, regional or local and indicate the location of the office that has responsibility for the audit.
2. Indicate the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Staff consistency is an important consideration.
3. Firm's experience providing auditing and accounting services, including the cities for which you have provided these services in the last five years.
4. Describe specialized audit services that the firm has provided for municipalities, such as transient occupancy tax audits, business license audits and franchise fee audits, etc.

d. Partner, Supervisory, and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and

membership in professional organizations relevant to the performance of this audit.

All supervisory and managerial personnel assigned to the engagement, including the person in charge of the daily fieldwork, must have appropriate significant local government audit experience. The field staff assigned to the City must include one person with at least two years of audit experience, including local government audit experience.

Provide as much information as possible regarding the number, qualifications, experience, and training including relevant continuing education of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. In all instances, **the City retains the right to approve or reject replacements.**

Other audit personnel may be changed at the discretion of the proposer, provided that replacements have substantially the same or better qualifications or experience.

e. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the required services as stated within this Request for Proposal. In developing the work plan, reference should be made to such sources of information as the City's budget and related materials, organizational charts, manuals, programs, and financial and other management information systems. Proposers are required to provide the following information on their audit approach:

1. Proposed segmentation for the engagement;
2. Level of staff and number of hours to be assigned to each proposed segment of the engagement;
3. Sample size and the extent to which statistical sampling is to be used in this engagement;
4. Extent of the use of electronic data processing software in this engagement;
5. Type and extent of analytical procedures to be used in this engagement;

6. Approach to be taken to gain and document an understanding of the City's internal control structure;
7. Approach to be taken in determining laws and regulations that will be subject to audit test work and;
8. Approach to be taken in drawing audit samples for purposes of tests of compliance.

5. Fees

The proposal should contain all pricing information relative to performing the audit engagement as described herein. The total all-inclusive maximum price bid is to contain all direct and indirect costs including all out-of-pocket expenses. All expenses, including typing, clerical, printing, and binding costs should be included in the total audit fee. The City is not responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

The fee should be allocated to the various required reports of the audit (ACFR and related reports and management letter, Appropriations Limit Report, and Single Audit Report) with a maximum annual fee for each of the three fiscal years ending June 30, 2023 through 2025 along with a maximum annual fee for each of the optional two subsequent fiscal years. Fees related to a Single Audit will be paid only in years in which a Single Audit is required.

The proposal shall also include a schedule of hourly rates of professional staff by classification and the anticipated distribution of hours per staff classification.

6. Fee Adjustment for Scope Change

The proposal should show how cost increases or decreases would be calculated, should the City subsequently request an adjustment in the scope of the audit.

**VII. EVALUATION PROCEDURES**

A. General

Proposals will be evaluated by a selection committee consisting of individuals from the City and/or external agencies.

B. Evaluation Criteria

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in California.

- b. The firm has no conflict of interest with regard to any of the work performed by the firm for the City.
- c. The firm adheres to the instruction in this Request for Proposal on preparing and submitting the proposal.
- d. The firm includes a response which clearly states the understanding of the work to be performed.

## 2. Technical Quality

### a. Expertise and Experience

- i. The firm's past experience and performance on comparable government engagements.
- ii. The technical qualifications and experience of staff proposed to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- iii. The firm's past experience in meeting GFOA requirements to receive the ACFR award.
- iv. Experience in providing on-going financial consulting services to municipalities.
- v. The reputation of the firms based on current and prior clients contacted by the City.

### b. Audit Approach

- i. Adequacy of proposed staffing plan for various segments of the engagement.
- ii. Thoroughness of approach to conducting the audit of the City and demonstration of the understanding of the objectives and scope of the audit.
- iii. Adequacy of analytical procedures and sampling techniques.
- iv. Commitment to timeliness in the conduct of the audit.
- v. The anticipated support requirements of City staff.

## 3. Cost

- a. Cost will not be the primary factor in the selection of an audit firm.

C. Selection Process

All proposals will be evaluated by the Finance/Budget Committee using the above criteria. After the top candidates have been selected using this criteria, oral interviews may be arranged to assist in making the final decision. If held, oral interviews will be conducted by the Finance/Budget Committee and/or members of the City Council. If conducted, it would be desirable that senior audit staff be present for the interview. Not all firms may be asked to participate in an oral interview.

Selection of the successful proposal will be at the sole direction of the City Council. All firms will be notified of the Council's selection following the award of the contract. The successful proposer shall provide all documents required by the agreement (including insurance certificates) in order to fully execute the contract.

D. Right to Reject Proposals

The City reserves the right without prejudice to reject any or all proposals, and to accept the proposal most favorable to the City's interest and the right to waive irregularities in the procedures described in the Request for Proposal. Furthermore, the City reserves the right to reject the proposal of any proposer who previously failed to perform properly, or complete on time, agreements of a similar nature, or to reject the proposal of a proposer who is not in a position to perform such an agreement satisfactorily.

The City reserves the right to waive any informality or technical defect in a proposal and to accept or reject, in whole or in part, any or all proposals and to advertise for new proposals, as best serves the interest of the City.

The City also reserves the right to make such investigations as it deems necessary to determine the ability of the proposer to perform the work and the proposer shall furnish to the City all such information and data for this purpose as the City may request. The City reserves the right to reject any proposal if the evidence submitted by, or investigation of such proposer, fails to satisfy the City that such proposer is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

## VIII. INDEMNIFICATION AND INSURANCE REQUIREMENTS

Audit firm agrees to protect, indemnify, and hold harmless the City and its officers, officials, employees, and agents from and against all claims, demands, and causes of action by consultant's employees or third parties on account of personal injuries or death or on account of property damages arising out of the work to be performed by consultant hereunder and resulting from the negligent act or omissions of consultant, consultant's agents, employees, or subcontractors.

- A. Without limiting Auditor's indemnification, it is agreed that the Auditor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the audit firm, its agents, representatives, or employees. The audit firm shall maintain in force at all times during the performance of the engagement the following policy or policies of insurance covering its operations:
1. Comprehensive General Liability, including contractual liability, business automobile liability, and products and completed operations, all of which shall include coverage for both bodily injury, personal injury, and property damage, with a combined single limit of **\$1,000,000 per occurrence**.
  2. Automobile Liability: **\$1,000,000 per occurrence** for bodily injury and property damage.
  3. Errors and Omissions Liability/Professional Liability: **\$1,000,000 per occurrence**.
  4. Workers' compensation coverage at **statutory limits per the requirements of the State of California**.

Any deductibles or self-insured retention levels must be declared to and approved by the City.

- B. Auditor's general liability and automobile liability insurance policies shall contain the following clauses:
1. The City, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the audit firm; products and completed operations of the consultant; premises owned, occupied or used by the audit firm; or automobiles owned, leased, hired or borrowed by the audit firm. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.
  2. For any claims related to the work described herein, the audit firm's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-

insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the audit firm's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, has been given to the City.
- C. Insurance is to be placed with insurers which are "admitted" in the State of California and have a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Audit firm shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be on forms provided by the City. All endorsements are to be received and approved by the City before work commences.

## **IX. ADDITIONAL INFORMATION**

- A. The City will not be liable for any cost incurred in preparing proposals or associated travel costs.
- B. The City reserves the right to request such additional information as the City may reasonably require for evaluation purposes. The City also reserves the right to conduct pre-contract negotiations with any or all potential firms.
- C. The submission of a proposal shall be evidence that the firm has full knowledge of the scope, nature, quantity and quality of work to be performed, the detailed requirements of the specifications and the conditions under which the work is to be performed.
- D. If the selected certified public accounting firm does not execute an agreement with the City within fourteen (14) days after notification of selection, the City may give notice to that firm of the City's intent to select from the remaining firms or to call for new proposals, whichever the City deems appropriate.
- E. The total audit staffing should be at a level sufficient to complete the audit in the time scheduled and specified in the Request for Proposal. In addition, the audit staff should remain constant through each year's audit process. At least one staff member from the prior year's audit is to be a member of the subsequent year's audit team.
- F. The auditors shall comply with the provisions of any and all Federal, State, County and City orders, statutes, ordinances, bond covenants, administrative codes and orders, rules and regulations that may pertain to the work required in the engagement.

- G. It is expected that the firm chosen will make itself available for additional projects that may be necessary from time to time. Separate fees will be negotiated for each project.
- H. Compensation for the auditing services will be paid upon submission of progress billings. A final billing will be paid after receiving the required reports.
- I. It is mutually understood and agreed that the successful bidder shall not assign, transfer, convey, sublet or otherwise dispose of the contract or the right, title, or interest therein, or the power to execute such contract, to any other person, company or corporation without prior written consent of the City Manager.
- J. After the award of the contract has been made by the City Council, all findings and information considered in determining which proposal best meets the needs of the City and will be most advantageous with respect to price, conformity to the specifications and other factors, will be available for public inspection.
- K. Causes for termination of the contract may include the following: failure to promptly and faithfully provide the services required in this Request for Proposal; failure to cooperate upon receiving any reasonable request for information for service; and improper actions of the firm's officers or employees. The City retains the right to cancel this agreement without cause by providing written notification.