

REQUEST FOR PROPOSALS

FOR

**RFP 20-FS-009
Auditor Services**

As Requested by

THE CITY OF RIO RANCHO, NEW MEXICO



RFP SUBMITTAL DUE DATE:

10:00 AM Wednesday, April 15, 2020

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1. **INTRODUCTION**

1.1. Overview. The City of Rio Rancho (the "City") is soliciting proposals from qualified independent auditing firms to conduct audits of the general purpose financial statements and the combining, individual fund, and account group financial statements.

The City of Rio Rancho encourages Disadvantaged Business Enterprises (DBEs), small/minority businesses, women's business enterprises, and labor surplus area firms to participate in this solicitation. All qualified Offerors shall receive consideration for employment without regard to race, color, religion, sex or national origin.

Background.

The City of Rio Rancho was incorporated in 1981. It operates under the Council-Manager form of government. The citizens of Rio Rancho voted and adopted a Charter on March 3, 1992. Municipal services include the usual governmental functions of police, fire, planning, public works and the operation of a senior citizens center, public library, swimming pools, summer recreation programs and parks. The City operates its water and sewer system and events center, both of which are partially operated by private companies. Solid waste disposal is provided by a private enterprise under an exclusive franchise agreement. Currently, the City has no component units.

Synopsis of the some of the City's major funds

Revenues	General Fund	Water & Wastewater Utilities	Multi-Purpose Events Center
Beginning Fund Balance	\$12,707,053	\$25,265,459	\$2,474,750
Revenues	63,050,240	51,825,416	2,261,486
Transfers	113,843	0	916,637
Debt Proceeds	0	0	0
Total	\$ 75,871,136	\$ 77,090,875	\$ 5,652,873

Expenditures	General Fund	Water & Wastewater Utilities	Multi-Purpose Events Center
Personal Services	\$ 45,880,385	\$ 2,138,413	\$0
Material and Services	13,003,618	24,217,190	1,162,404
Capital Outlay	207,989	13,319,722	0
Transfers	7,944,700	0	0
Debt Service	0	15,113,231	2,236,780
Ending Fund Balance	8,834,444	22,302,319	2,253,689
Total	\$ 75,871,136	\$ 77,090,875	\$ 5,652,873

In addition to the aforementioned, the City currently reports on twenty-nine (29) Special Revenue Funds, five (5) Debt Service Funds, ten (10) Capital Project Funds, two (2) Internal Service Funds, seven (7) Agency Funds, and one (1) enterprise fund.

1.2. Scope of Work / Specifications. The audit shall be conducted in accordance with Generally Accepted Auditing Standards (GAGAS), Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, also known as the "Super Circular" and New Mexico State Auditor Rule 2.2.2 NMAC and the Audit Act of NMSA 1978. Any changes made to the proposed key staff members shall be provided in writing to the City for approval in advance for the change. Additional required information may be obtained by

visiting the New Mexico State Auditor's website: www.saonm.org.

The firm shall conduct audits on the financial statements prepared by the City, the general functions of the City, the water and wastewater utilities functions, and the multi-purpose events center surcharge.

The City currently does not have any component units. Legislative changes are possible that would result in the City classifying the special districts within its boundaries as component units beginning with the fiscal year 2022 audit (at earliest). There are currently eight (8) special districts within the City of Rio Rancho that may be affected by such a change. They are listed below:

- Mariposa Public Improvement District (currently audited)
- Cabazon Public Improvement District (currently audited)
- Lomas Encantadas/Enchanted Hills Public Improvement District (currently Tier 1)
- Tierra del Oro Public Improvement District (currently Tier 1)
- Broadmoor Heights Public Improvement District (currently Tier 1)
- Stonegate Communities Public Improvement District (currently Tier 1)
- Stonegate Communities Tax Increment Development District (currently AUP)
- The Village at Rio Rancho Tax Increment Development District (currently Tier 1)

In the table provided, please provide separate pricing for the incremental additional cost of adding audit services if the City reports component units.

As an optional service, the City may request that the firm conduct agreed-upon procedures (AUP) for lodgers' tax receipts as reported and submitted to the City by lodging facilities within the City per the Lodger's Tax Act 3-38-13 through 3-38-24 NMSA 1978 and Section 37.02 "Lodgers Tax" of the City of Rio Ranch Code of Ordinances. Such AUP would evaluate the propriety of lodgers' tax receipts reporting to the City by two lodging facilities per year. The AUP shall be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and shall comply with the State Auditor Rule 2.2.2 NMAC, the Audit Act of NMSA 1978 and any other statutes applicable to lodgers' tax. In the table provided, please provide pricing for performing lodgers' tax AUP separately.

1.3. Point of Contact. This RFP is issued on behalf of the City of Rio Rancho by the Purchasing Office, which is **THE SOLE POINT OF CONTACT DURING THE PROCUREMENT PROCESS. Communications initiated by a respondent to this RFP (the "Offeror") with members of the Governing Body or City personnel, other than as coordinated by the Point of Contact noted below, shall be grounds for Offeror disqualification. Any inquiries or requests during this procurement shall be submitted to the following Point of Contact in writing:**

City of Rio Rancho
Department of Financial Services
Attention: Shonna Ybarra, Purchasing and Contracts Manager
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Telephone: 505-891-5044
sybarra@rrnm.gov

2. CONDITIONS GOVERNING PROCUREMENT

2.1. Overview. This section of the RFP contains the RFP schedule for the procurement, describes the major RFP events and milestones and specifies general conditions governing the procurement.

2.2. Schedule of Events. Dates are subject to change. The City will make every effort to adhere to the following schedule:

Action	Responsibility	Date	Time
Issue RFP	City of Rio Rancho	Sunday, March 15, 2020	
Return of Acknowledgement Form	Potential Offerors	ASAP	
Deadline to Submit Written Questions	Potential Offerors	Sunday, April 05, 2020	5:00 PM
Response to Written Questions	City of Rio Rancho	Wednesday, April 08, 2020	5:00 PM
Submission of Proposals	Offerors	Wednesday, April 15, 2020	10:00 AM

2.2.1 Issuance of RFP. This RFP is being issued by the City of Rio Rancho Purchasing Division on the date specified in the Schedule of Events above.

2.2.2 Pre-Proposal Conference. A pre-proposal conference will not be held for this solicitation.

2.2.3 Return of Acknowledgement Form for Distribution List. Potential Offerors should hand deliver or return by facsimile, registered mail or email the Acknowledgement Form (see Appendix D) to have their firm placed on the procurement distribution list. This form should be delivered by the date specified in the Schedule of Events. Failure to return this form will prevent the potential Offeror's firm name from appearing on the procurement distribution list. The procurement distribution list will be used for distribution of important information regarding this procurement. **A valid email address must be provided.**

2.2.4 Written Questions and RFP Amendments. Potential Offerors may submit written questions as to the intent or clarity of this RFP until the date and time specified in the Schedule of Events. All written questions must be sent by email and addressed to the Point of Contact (see Section 1.3). Written responses to written questions and any RFP amendments will be distributed to all Potential Offerors whose organization name appears on the procurement distribution list, via electronic email (email). A valid email address must be provided for this and other purposes. All addenda and communications will also be posted to the City's website at the following address: <http://www.rnm.gov/bids> .

It is the responsibility of all potential Offerors to ensure that all addenda have been received before submitting their proposal.

2.2.5 Submission of Proposal. All Offeror proposals must be received by the City no later than the date and time specified in the Schedule of Events. Proposals received after this deadline will not be accepted. The date and time of receipt will be recorded on each proposal. Proposals must be hand delivered or mailed to:

**City of Rio Rancho
Clerk's Office
Attention: Shonna Ybarra, Purchasing and Contracts Manager
City Hall, 3200 Civic Center Circle Suite 150
Rio Rancho, New Mexico 87144**

No other methods of proposal delivery will be accepted. Proposals must be submitted in a sealed package or envelope listing the following information on the outside:

**RFP Title:
Auditor Services
RFP 20-FS-009**

The City shall not be responsible for proposals that are mailed and not received by the opening date and time specified in this section. Receipts for hand delivered proposals may be issued by the City Clerk's Office (upon request).

Delayed Opening or Closing of City Offices: In the event that City Hall is officially on a delayed opening for any reason (for example, inclement weather) and City Hall is not open at least two (2) hours prior to bid opening, the deadline for bid and proposal submissions will be delayed for exactly the amount of time indicated in the official City announcement. For example, if City Hall is on a two (2) hour delay, deadline for receipt of bids and proposals due prior to 12:00 p.m. will be delayed by two (2) hours and bids due after 12:00 p.m. will be due at their regularly scheduled time. Also, if City Hall is officially closed for any reason (such as inclement weather) for all or part of the day that submission of bids is due (other than an official, announced delayed opening), bids will be due at the same time on the following business day. Any delayed opening or closing of City Hall will be announced on the City's website, <http://www.rnm.gov>.

2.2.6. Proposal Evaluation. The evaluation of proposals will be performed by the Evaluation Committee within ninety (90) days of the submission deadline indicated in the schedule of events, or such later date as the City may designate in writing.

2.2.7. Offeror Responsibility. Only those proposals submitted by any Offeror deemed to be a Responsible Offeror will be included for further review. A Responsible Offeror is a person or entity that submits a proposal and furnishes, when required, information and data to prove that the Offeror's financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, construction, or items of tangible personal property described in this RFP.

2.2.8. Oral Presentations. The Evaluation Committee may request oral presentations by the Finalist Offerors. If this is required, the presentations will take place at City Hall in Rio Rancho on the date established by the City. As a result of any oral presentation, proposals will be re-scored using the same scoring methodology already indicated in this RFP.

2.2.9. Award without Discussions. An award on the basis of the initial proposals may be made without further negotiations unless further discussions are determined to be necessary. An award without discussions will only be made if the offer is accepted as submitted.

2.2.10. Selection of Finalists. If an award is not made on the basis of the initial proposals, finalist will be identified based on the Evaluation Committee's determination that the identified finalists' proposals have a reasonable chance of being chosen for award, based on the criteria set forth in this RFP. The Point of Contact will notify the Finalist Offerors via mail or email. Those not selected as a finalist will be notified of their status via mail or email.

2.2.11. Discussions with Finalists. The scope of discussions with identified finalists may include, but may not be limited to, communication in writing, by telephone, or in face-to-face-meetings. Any communication received from the City shall be acknowledged immediately by the Finalist Offerors. Finalist Offeror shall ensure that adequate contact information is provided with the submitted proposal. Multiple contacts may be provided. Discussions will be limited to specific deficiencies, ambiguities, and weak aspects of the Offeror's proposal. Discussions will not disclose strengths and weaknesses of competing Offerors, or information from an Offeror's proposal which would allow improvement in another Offeror's proposal. Upon completion of discussions, finalists will be asked to submit a best and final offer.

2.2.12. Proposal Revisions and Best and Final Offers. Finalist Offerors may be asked to submit additional information and/or revisions to their proposals which may be used for the purpose of obtaining best and final offers. For any proposal revisions and/or best and final offer received, offers will be re-scored using the same scoring methodology already indicated in this RFP. The City reserves the right to request multiple rounds of proposal revisions or best and final offers. An award on the basis of any round of scoring may be made without further negotiations unless further discussions are determined to be necessary.

2.2.13. Finalize Contract. The Contract will be finalized with the most advantageous Offeror. In the event that mutually agreeable terms cannot be reached within the time specified, the City reserves the right to finalize a contract with the next most advantageous Offeror without undertaking a new procurement process or reserves the right to cancel the award.

2.2.14. Protest Deadline. The ten (10) day protest period for Offerors shall begin on the day following the notification of the contract award and will end at 5:00 pm MT on the tenth calendar day following the notification of the contract award. Protests must be submitted in writing and must include the name and address of the protestant and the RFP number. It must also contain a statement of grounds for protest and be addressed and delivered to the Point of Contact.

2.2.15. Notice. The City of Rio Rancho Procurement Code imposes civil and criminal penalties for its violation, in addition to the felony penalties for illegal bribes, gratuities and kickbacks imposed by the New Mexico Criminal Statutes.

2.3. General Proposal Requirements and Miscellaneous Information.

2.3.1 General Proposal Requirements. Proposals shall be prepared simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of this RFP. Emphasis shall be placed on the quality, completeness, and clarity of content of the proposal.

2.3.1.a Offerors shall carefully read the information contained in this RFP and submit a complete response to all requirements and questions as

directed. Incomplete proposals may be considered non-responsive and subject to rejection.

- 2.3.1.b** Proposals and any other information submitted by Offerors in response to this RFP shall become the property of the City.
- 2.3.1.c** Offerors shall prepare and develop proposals at the sole cost and expense of the Offeror.
- 2.3.1.d** Proposals that are qualified with conditional clauses, alterations, or irregularities of any kind are subject to rejection by the City, at its option.
- 2.3.1.e** The City makes no representations of any kind that an award of contract will be made as a result of this RFP, or subsequent RFP. The City reserves the right to accept or reject any or all proposals, waive any formalities or minor technical inconsistencies, and/or delete any item/requirements from this RFP when deemed to be in City's best interest.
- 2.3.1.f** Proposals shall consist of responses to the submission requirements identified in Section 4 of this RFP. Please identify the requirement number in the proposals when responding to each.
- 2.3.1.g** Failure to comply with all requirements contained in this RFP may result in the rejection of proposal.
- 2.3.1.h** It is incumbent upon each Offeror to carefully examine all specifications, terms, and conditions contained herein. Any inquiries, suggestions, or requests concerning interpretation, clarification or additional information shall be made in writing, (facsimile transmissions acceptable, email is preferred) through the contact named above. The City will not be responsible for any oral representation(s) given by any employee, representative or others. The issuance of a written addendum is the only official method by which interpretation, clarification or additional information can be given. If it becomes necessary to revise or amend any part of this RFP, notice may be obtained by accessing our web site. Respondents in their proposal must acknowledge receipts of amendments. **Each Offeror should ensure that they have received all addenda and amendments to this RFP before submitting their proposal.**
- 2.3.1.i** A proposal may be modified or withdrawn in person at any time BEFORE the scheduled due date and time of proposals provided a receipt for the withdrawn proposal is signed by the Offeror's authorized representative. The City reserves the right to request proof of authorization to withdraw a proposal.

2.3.2. Miscellaneous Information.

- 2.3.2.a. Public information.** All information, documentation, and other materials submitted in response to this RFP are considered non-confidential and/or non-proprietary and are subject to public disclosure after the solicitation is completed. The contents of any proposal shall not be disclosed during any negotiations that may occur. All proposals shall be valid until the contract is awarded. For purposes of understanding, award of contract means, negotiations are complete and a contract is executed. Proposals shall not be opened publicly and shall not be open to public inspection until after an Offeror has been selected for award and the contract has been fully executed. An Offeror may request in writing nondisclosure of confidential data. Such data shall accompany the proposal and shall be readily separable from the proposal in order to facilitate eventual public inspection of the no confidential portion of the

proposal.

- 2.3.2.b. City's Reservation of Rights.** The City may evaluate the proposals based on the anticipated completion of all or any portion of the project. The City reserves the right to divide the project into multiple parts, to reject any and all proposals and re-solicit for new proposals, or to reject any and all proposals and temporarily or permanently abandon the project. The City makes no representations, written or oral, that it will enter into any form of agreement with any Offeror to this RFP for any project and no such representation is intended or should be construed by the issuance of this RFP.
- 2.3.2.c. Clarification.** The City may, in the evaluation of proposals, request clarification from Offerors regarding their proposals, obtain additional material or literature, and pursue other avenues of research as necessary to ensure that a thorough evaluation is conducted.
- 2.3.2.d. Acceptance of Evaluation Methodology.** By submitting a proposal in response to this RFP, the Offeror accepts the evaluation process and acknowledges and accepts that determination will require subjective judgments by the City. The proposal scoring highest among all proposals in a particular evaluation criterion may not receive 100% of the points assigned to that criterion.
- 2.3.2.e. No Reimbursement for Cost.** Offeror acknowledges and accepts that any costs incurred from the Offeror's participation in this RFP process shall be at the sole risk and responsibility of the Offeror. Offerors submit proposals at their own risk and expense.
- 2.3.2.f. Ethical Conduct.** The City of Rio Rancho expects the highest level of ethical conduct from Offerors including adherence to all applicable laws and local ordinances regarding ethical behavior.
- 2.3.2.g. Negotiation of Contract.** Offeror must submit, in redline form, any proposed changes to the proposed Contract attached hereto. After identifying the selected Offeror(s), the City will attempt to negotiate final terms of a Contract with such Offeror, on such terms as the City deems in its best interest. The City reserves the right to negotiate all elements of the Contract.
- 2.3.2.h. Right to Terminate Negotiations.** If an agreement cannot be made with the selected Offeror, City reserves the right to terminate negotiations with that party and enter into negotiations with the next highest qualified Offeror.
- 2.3.2.i. Modification.** Proposals may be modified by written notice provided such notice is received prior to the hour and the date specified for receipt of offers.
- 2.3.2.j. Application of Resident, Veteran, Local, Area, and Recycled Content Goods Preference.**

DEFINITIONS:

- LOCAL BUSINESS means a Resident Business or Resident Contractor which:
 - (a) Is authorized to do and is doing business under the laws of the State of New Mexico;
 - (b) Possesses a current city business registration;
 - (c) Maintains its principal place of business within the corporate limits of the city; and
 - (d) Agrees to furnish evidence, in a form suitable to the city, of its payment of New Mexico Gross Receipts Tax.
- AREA BUSINESS means a Resident Business or Resident Contractor

which:

(a) Is authorized to do and is doing business under the laws of the State of New Mexico;

(b) Possesses a current city business registration;

(c) Maintains a bona fide place of business within the corporate limits of the city, and agrees to conduct its activities pursuant to the contract for which it is bidding or proposing, to the extent practicable, from that place of business; and

(d) Agrees to furnish evidence, in a form suitable to the city, of its payment of New Mexico Gross Receipts Tax.

- RECYCLED CONTENT GOODS has the meaning set forth in NMSA 1978 § 13-1-21(A)(6), as amended from time to time.
- RESIDENT BUSINESS has the meaning set forth in NMSA 1978 § 13-1-21(A)(5), as amended from time to time.
- RESIDENT CONTRACTOR has the meaning set forth in NMSA 1978 § 13-4-2(A)(5), as amended from time to time.
- RESIDENT VETERAN BUSINESS has the meaning set forth in NMSA 1978 § 13-1-22(A)(7), as amended from time to time.
- RESIDENT VETERAN CONTRACTOR has the meaning set forth in NMSA 1978 § 13-4-2(A)(6), as amended from time to time.
- STATUTORY PREFERENCE means the preference for Resident Businesses, Resident Contractors, Resident Veteran Businesses, Resident Veteran Contractors, and Recycled Content Goods provided in NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.
- QUALIFYING COMPANY means a company that qualifies for a Statutory Preference under NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.

INSTRUCTIONS:

- In all invitations for bid and requests for proposals, the Statutory Preferences shall be applied in the manner set forth in NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.
- A copy of a valid Resident Business Certificate, Resident Veteran Business, Resident Veteran Contractor or Resident Contractor Certificate issued by the New Mexico Taxation & Revenue Department. Information regarding resident preference can be obtained by contacting the Point of Contact as listed herein.
- In addition to the Statutory Preferences, a preference for Local Businesses and Area Businesses shall be administered in the same manner as the Statutory Preferences, as follows:
 - (1) in the event a Local Business submits a qualifying bid or proposal and one or more Qualifying Companies also submits a bid or proposal, the Local Business shall receive a two percent (2%) preference in addition to (and not in lieu of) the Statutory Preference; and
 - (2) in the event an Area Business submits a qualifying bid or proposal and one or more Qualifying Companies also submits a bid or proposal, the Area Business shall receive a one percent (1%) preference in addition to (and not in lieu of) the Statutory Preference.
- An offeror or bidder can only qualify as either a Local Business or an Area Business, not both.
- In addition to the definitions and criteria set forth in this section, the central purchasing office may impose additional requirements regarding the nature, size and/or location of offerors or bidders in any request for proposals or invitation for bids. As a result, companies

responding to such solicitations should review the solicitation documents thoroughly.

- Information regarding the City's Procurement Code and the application of the local and resident preference can be obtained by contacting the Point of Contact as listed herein.
- For consideration for the Area, Local, and Recycled Content Goods preference, the Offeror must complete the Preference Certification Form, attached hereto as Appendix C, in accordance with the instructions and return the form with its Technical Proposal.
- In addition to the definitions and criteria set forth in the section, when a joint bid or joint proposal is submitted by both resident and non-resident businesses, the resident business preference provided pursuant to Subsection B or C of the NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time, shall be reduced in proportion to the percentage of the contract, based on the dollar amount of the goods or services provided under the contract, that will be performed by a non-resident business as specified in the joint bid or proposal.

2.3.2.k. Acceptance of Proposals. Acceptance of a proposal is contingent upon the Offeror's certification and agreement by submittal of its proposal, to comply with all provisions of the City Procurement Code.

3. PROPOSAL FORMAT AND ORGANIZATION REQUIREMENTS

3.1 Number of Copies. Offeror must submit 1 original and 5 copies of its proposal in a sealed envelope or container.

3.2 Proposal Format.

3.2.1 Proposals shall be limited to a maximum length of 15 pages. The Required Information Form, Table of Contents, Cost Proposal, Required Information as described in section 4.2 and other non-scored informational appendices will not be included in the total proposal page count. An additional cover letter may be submitted with a proposal but will not be a scored item and will not be included in the total page count. Any information not included in the page count (i.e. supplemental cover letter, non-scored appendices) may not be reviewed by the evaluation committee. Proposals must include page numbers for each section of the Proposal.

3.2.2 Proposals shall be divided into three clearly defined sections, which shall include:

3.2.2.a Section 1: Required Information Form, Table of Contents, Request Information, Response to Evaluation Criteria, and any additionally required documents not included in the page count.

3.2.2.b Section 2: Additional non-scored informational appendices, such as promotional documents (these documents may not be reviewed by evaluation committee members).

3.2.2.c Section 3: Cost Proposal

3.2.3 Proposals shall be printed on letter-size (8-1/2" x 11") paper and assembled with spiral bindings or in 3-ring binders. Graphics incorporated into the proposal may exceed the paper-size requirement. **One (1) CD/DVD or USB flash drive containing the electronic files of the proposal and cost proposal shall be included with the original proposal submitted.**

3.2.4 The City realizes that there may be information in the Offeror's proposal that overlaps different sections. Please make copies of information that goes into multiple sections so that the Evaluation Committee can evaluate each section individually.

3.2.5 The City realizes that there may be more than one solution that can be offered by an Offeror. If the solutions are significantly different from each other in the technology suggested and the price of that technology, it is recommended that the Offeror submit two proposals.

4. SUBMISSION REQUIREMENTS AND EVALUATION OF PROPOSALS

4.1. Overview. This section contains the mandatory requirements, evaluation criteria, and related information. Offerors must respond to the mandatory requirements and should respond to the evaluation criteria of this RFP providing the required responses, documentation, or assurances, and complete a Cost Proposal (Appendix A). Failure to respond to any of the evaluation criteria may result in zero points being awarded for that element of the proposal.

4.2 Mandatory Proposal Submission Requirements. Failure to comply with a mandatory requirement will result in disqualification of the proposal.

4.2.1 Required Information Form. Offerors must submit a completed Required Information Form (attached as Appendix B) signed by party authorized to bind the entity submitting the proposal. This form should include the following items:

- The Identity of Offeror including the name of the firm, central address, email address, telephone number, fax number, etc.
- Disclosure of any Potential Conflicts of Interest. A conflict of interest shall be cause for disqualifying an Offeror from consideration. A potential conflict of interest includes, but is not limited to: (1) Accepting an assignment where duty to the client would conflict with the Offeror's personal interest, or interest of another client. (2) Performing work for a client or having an interest which conflicts with this contract.
- This page has been signed by a signatory with the authority to bind the Offeror. By signing this Signature Page, through the undersigned representative who has the authority to bind the Offeror, and by submitting a proposal in response to this RFP, the Offeror agrees to perform the services required by such RFP and to adhere to all requirements, specifications, terms and conditions of the RFP. Offeror further agrees to be bound by this proposal for a minimum of 90 days from the date proposals were due.

4.2.2 Proof of State Auditor IPA Approval. Firm shall provide proof of State of New Mexico Auditor approval. Identify any and all imposed restrictions.

4.2.3 Authorized Personnel. Provide corporate resolution or other official document identifying the name and title of the person(s) authorized by the company to contractually obligate the firm for the purpose of this solicitation.

4.2.4 Proof of Insurance. Provide proof of General Liability Insurance of at least \$ 500,000.00.

4.2.5 Workpaper Reviews. Provide the most recent workpaper reviews performed by the New Mexico State Auditor's Office.

4.3 Evaluation Criteria. Failure to respond to any of the evaluation criteria may result in zero points being awarded for that element of the proposal.

4.3.1 Project Understanding/Work Plan

Provide information about the Offeror's understanding of the services to be conducted. Include a well-defined schedule, information regarding resources to be utilized and detailed approach to providing these services. Detail your firm's approach to communicating with City staff via a public portal or alternative paperless method. Also detail your firm's approach to recognizing, interpreting, and implementing changes to, or development of, federal and state law, GASB statements, etc. that impact clients. In particular, Offerors should detail your firm's approach to auditing entities newly classified as component units if necessitated by legislative changes. Include how your firm conducts interim fieldwork and procedures. Describe how you obtain an understanding of internal controls and other characteristics unique to your client prior to the commencement of an audit. Points will be awarded based on the ability of each Offeror to provide a clear and concise work plan, schedule, and approach related specifically to these services. Points will also be affected by the firm's ability to propose an approach that demonstrates a clear understanding of the services to be rendered.

4.3.2 Quality of Proposal

The Offeror shall provide a proposal free of spelling, punctuation, and grammar mistakes. Each Offeror shall exhibit their ability to submit a quality proposal communicating a realistic approach, technical soundness, and enhancements to elements that are outlined in this Request for Proposal. Points may be deducted in this category if proposal contains errors in spelling, punctuation, or grammar. Points may be affected by formatting and organizational mistakes in the proposal. Clarity and realism in approach, technical soundness, and proposed enhancements to elements that are outlined in the RFP may affect points in the category.

4.3.3 Experience

Provide relevant and concise information regarding the experience of proposed key staff members that will be providing the services. Identify the experience/performance of key staff that will be assigned to this project. Provide detailed information regarding technical experience, governmental audit experience, experience with new GASB pronouncements and specialization in municipal governmental agencies. Provide a detailed listing of CPE trainings, seminars and/or meetings on audits that key staff members have attended. Points will be awarded based on the review committee's perception of quality and relevance of indicated experience, key staff and demonstrated performance. Points will be deducted from the Offeror's score if the committee feels the information provided is irrelevant to scope described in this RFP.

4.3.4 References

Provide only three non-City of Rio Rancho references from similar sized public agencies for recently completed audits conducted by the lead staff members identified in firm's current proposal. References shall be completed by a representative familiar with the services who is currently employed. Offeror must provide a brief narrative describing relevant services information for each of the three references provided. No other references outside of those included in the narrative will be calculated in the final average reference score. Reference narrative descriptions are considered scored content and will be included in the page count.

In addition, the attached reference response form (Appendix E) must be filled out in its entirety and the responses to the questions must be filled out by an employee or consultant of the listed reference (not by the submitting Offeror). Each reference form shall be completed and returned to the Point of Contact identified on the Reference Form no later than April 10, 2020 at 10:00 a.m.

For each identified project, references will be asked to score the Offerors Adherence to Schedule & Timeliness, Willingness to Provide Guidance Regarding Accounting & Reporting, Validity of Audit Findings, Customer Service and Overall Performance.

The totals of all three responses will be averaged to result in a final reference score. Failure to submit any of the three required references shall result in zero points for that reference in the average reference score. References must provide a score for all of the five reference category scoring items. The City will calculate zero points for any reference category left blank.

4.3.5 Workpaper Reviews

Each Offeror shall submit their most recent workpaper reviews conducted by the New Mexico State Auditor's Office. Points will be awarded based on the State Auditor's Office analysis of the workpapers.

4.3.6 Optional Service.

The City may request agreed-upon procedures for two lodging facilities in each year of the contract term. Provide information about the Offeror's understanding of the services to be provided. Also provide a description of the process for performing the AUP as well as a time-frame for completion of the AUP each year. Offerors may add an additional two (2) pages to describe this additional service.

4.3.7 Cost Proposal.

- 4.3.7.a** Offerors must submit a Cost Proposal along with each copy of their proposal submission. Cost Proposal Submissions must be submitted in two (2) parts:

- 4.3.7.a.1 Part (1) – Objective Cost Analysis.** The submitted Cost Proposal shall contain a detail of all cost to be billed to the City by the Offeror for each billable item listed in the Cost Proposal (whether billed directly or withheld from revenues collected). The Offeror should understand that the City will not pay any amount not included in the Cost Proposal. The three year cost will be averaged to determine the all-in cost for each proposal submitted.

The evaluation of each Offeror's Cost Proposal will be determined using the following formula:

$$\frac{\text{Lowest Responsive All-In Cost}}{\text{This Offeror's All-In Cost}} \times 5 \text{ pts} = \text{Awarded Points}$$

- 4.3.7.a.2 Part (2) – Cost Reasonableness.** In order to allow for a clear evaluation and comparison, relative to other offers received, Offerors must provide a justification narrative describing all assumptions incorporated in the submitted cost proposal. Offerors

are encouraged to provide data to defend the reasonableness of the cost proposal.

Points will be awarded based on the Offeror's ability to reasonably and adequately explain assumptions included in the development of Part (1) of the cost proposal.

5. Scoring Overview

RFP Section	Factor	Points
	<u>Mandatory Requirements – Pass/Fail</u>	
4.2.1	Required Information Form	Pass/Fail
4.2.2	Proof of State Auditor IPA Approval	Pass/Fail
4.2.3	Authorized Personnel	Pass/Fail
4.2.4	Proof of Insurance	Pass/Fail
4.2.5	Workpaper Reviews	Pass/Fail
	<u>Evaluation Criteria</u>	
4.3.1	Project Understanding/Work Plan	30
4.3.2	Quality of Proposal	15
4.3.3	Experience	30
4.3.4	References	25
4.3.5	Workpaper Reviews	15
4.3.6	Optional Service	10
4.3.7	<u>Cost Proposal</u>	
4.3.7.a.1	Objective Cost Analysis	5
4.3.7.a.2	Cost Reasonableness	5
	Total Points	135

Appendix A
COST PROPOSAL
Auditor Services

Services	1st Year Hours	1st Year Cost	2nd Year Hours	2nd Year Cost	3rd Year Hours	3rd Year Cost
Financial Statement Audit						
Federal Single Audit						
Financial Statement Preparation						
* Other Non-audit Services, such as depreciation schedule updates						
Other (i.e., component units, specifically identified)						
Sub Total						
Applicable NM Gross Receipts Tax						
Total Cost Proposal including NMGRT						

The firm shall conduct audits on the financial statements prepared by the City, the general functions of the City, the water and wastewater utilities functions, and the multi-purpose events center surcharge.

* Specify what non-audit services are included in this amount.

Appendix A continued

COST PROPOSAL FOR ADDITIONAL COSTS ASSOCIATED WITH AUDIT OF COMPONENT UNITS

Services	1st Year Hours	1st Year Cost	2nd Year Hours	2nd Year Cost	3rd Year Hours	3rd Year Cost
Financial Statement Audit						
Federal Single Audit						
Financial Statement Preparation						
* Other Non-audit Services, such as depreciation schedule updates						
Other (i.e., component units, specifically identified)						
Sub Total						
Applicable NM Gross Receipts Tax						
Total Cost Proposal including NMGR						

COST PROPOSAL FOR OPTIONAL SERVICE LODGER'S TAX AUP

Services	1st Year Hours	1st Year Cost	2nd Year Hours	2nd Year Cost	3rd Year Hours	3rd Year Cost
Financial Statement Audit						
Federal Single Audit						
Financial Statement Preparation						
* Other Non-audit Services, such as depreciation schedule updates						
Other (i.e., component units, specifically identified)						
Sub Total						
Applicable NM Gross Receipts Tax						
Total Cost Proposal including NMGR						

Appendix B
REQUIRED INFORMATION FORM

**RFP 20-FS-009
Auditor Services**

1. IDENTITY OF OFFEROR:

FIRM NAME: _____

ADDRESS: _____

E-MAIL ADDRESS: _____

ALTERNATE EMAIL CONTACT: _____
(City may attempt to contact Offeror via email please provide additional email contact information if available.)

TELEPHONE #: _____

FACSIMILE #: _____

NEW MEXICO TAX # (if any) _____

NEW MEXICO STATE CORPORATION COMMISSION # _____

DATA UNIVERSAL NUMBER SYSTEM (DUNS) # _____

CONTACT PERSON FOR PROPOSAL _____

2. DISCLOSURE OF ANY POTENTIAL CONFLICTS OF INTEREST

Please indicate any potential conflicts of interest including, but is not limited to:

- Accepting an assignment where duty to the client would conflict with the Offeror's personal interest, or interest of another client.
- Performing work for a client or having an interest which conflicts with this contract.

Appendix C
**LOCAL/AREA/RESIDENT/RESIDENT VETERAN/RECYCLED CONTENT GOODS PREFERENCE
 CERTIFICATION FORM**

Business Name: _____

Principal Place of Business: _____

Address: _____

State _____ ZIP _____

DEFINITIONS:

Recycled content goods has the meaning set forth in NMSA 1978 § 13-1-21(A)(6) , as amended from time to time.

RESIDENT BUSINESS has the meaning set forth in NMSA 1978 § 13-1-21(A)(5) , as amended from time to time.

RESIDENT CONTRACTOR has the meaning set forth in NMSA 1978 § 13-4-2(A)(5) , as amended from time to time.

RESIDENT VETERAN BUSINESS has the meaning set forth in NMSA 1978 § 13-1-21(A)(7), as amended from time to time.

RESIDENT VETERAN CONTRACTOR has the meaning set forth in NMSA 1978 § 13-4-2(A)(6), as amended from time to time.

STATUTORY PREFERENCE means the preference for Resident Businesses, Resident Contractors, Resident Veteran Businesses, Resident Veteran Contractors, and Recycled Content Goods provided in NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.

Qualifying company means a company that qualifies for a Statutory Preference under NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.

LOCAL BUSINESS means a Resident Business or Resident Contractor which:

- (a) Is authorized to do and is doing business under the laws of the State of New Mexico;
- (b) Possesses a current city business registration;
- (c) Maintains its principal place of business within the corporate limits of the city; and
- (d) Agrees to furnish evidence, in a form suitable to the city, of its payment of New Mexico Gross Receipts Tax.

AREA BUSINESS means a Resident Business or Resident Contractor which:

- (a) Is authorized to do and is doing business under the laws of the State of New Mexico;
- (b) Possesses a current city business registration;
- (c) Maintains a bona fide place of business within the corporate limits of the city, and agrees to conduct its activities pursuant to the contract for which it is bidding or proposing, to the extent practicable, from that place of business; and
- (d) Agrees to furnish evidence, in a form suitable to the city, of its payment of New Mexico Gross Receipts Tax.

No bid or proposal shall receive both the Local Business and Area Business preferences.

INSTRUCTIONS:

In all invitations for bid and requests for proposals, the Statutory Preferences shall be applied in the manner set forth in NMSA 1978 §§ 13-1-21 or 13-4-5, as amended from time to time.

In addition to the Statutory Preferences, a preference for Local Businesses and Area Businesses shall be administered in the same manner as the Statutory Preferences, as follows:

(1) in the event a Local Business submits a qualifying bid or proposal and one or more Qualifying Companies also submits a bid or proposal, the Local Business shall receive a two percent (2%) preference in addition to (and not in lieu of) the Statutory Preference; and

(2) in the event an Area Business submits a qualifying bid or proposal and one or more Qualifying Companies also submits a bid or proposal, the Area Business shall receive a one percent (1%) preference in addition to (and not in lieu of) the Statutory Preference.

No bid or proposal shall receive both the Local Business and Area Business preferences.

In addition to the definitions and criteria set forth in this section, the central purchasing office may impose additional requirements regarding the nature, size and/or location of offerors or bidders in any request for proposals or invitation for bids. As a result, companies responding to such solicitations should review the solicitation documents thoroughly.

A COPY OF A RESIDENT BUSINESS OR CONTRACTOR / VETERAN BUSINESS OR CONTRACTOR CERTIFICATE ISSUED BY THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT IS REQUIRED TO BE SUBMITTED ALONG WITH YOUR BID / OFFER IN ORDER TO QUALIFY FOR THE STATUTORY RESIDENT / VETERAN PREFERENCE. In addition, the attached Resident Veterans Preference Certification form must accompany any bid/offer and any business wishing to receive a resident veteran's preference must complete and sign the form.

REQUESTS FOR RECYCLED CONTENT GOODS PREFERENCE MUST BE ACCOMPANIED BY OFFICIAL / VERIFIABLE EVIDENCE THAT THE MATERIAL BEING BID / OFFERED CONTAINS THE MINIMUM RECYCLED CONTENT REQUIRED BY STATE STATUE.

THIS FORM MUST BE SUBMITTED AT THE TIME BIDS / OFFERS IN ORDER TO CLAIM LOCAL, AREA, RESIDENT, VETERAN OR RECYCLED CONTENT GOODS PREFERENCE.

PLEASE INDICATE THE TYPE OF PREFERENCE CLAIMED:

If your firm is a Qualifying Company please circle the type of preference for which your firm qualifies and indicate your appropriate annual revenue threshold:

RECYCLED CONTENT GOODS

RESIDENT BUSINESS

RESIDENT CONTRACTOR

RECYCLED CONTENT GOODS RESIDENT VETERAN BUSINESS

Annual revenue up to \$3,000,000.00

Annual revenue more than \$3,000,000.00 or more

RESIDENT VETERAN BUSINESS

- Annual revenue up to \$3,000,000.00
- Annual revenue more than \$3,000,000.00 or more

RESIDENT VETERAN CONTRACTOR

- Annual revenue up to \$3,000,000.00
- Annual revenue more than \$3,000,000.00 or more

If your firm is applying for either a Local or Area Preference, please circle the type of preference for which your firm qualifies. **(Select only one):**

LOCAL BUSINESS

AREA BUSINESS

CITY OF RIO RANCHO BUSINESS LICENSE REGISTRATION NUMBER: _____

(Must be provided if claiming Local Business or Area Business Preference)

If submitting a joint bid/proposal please indicated proportion of work to be completed by qualifying company:

_____ %

CERTIFICATION: I hereby certify that the information which I have provided on this form is true and correct, that I am authorized to sign on behalf of the business set out above and if requested by the City will provide, within 10 days of notice, the necessary documents to substantiate the information provided on this form.

By: _____ Title: _____ Date: _____

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:

I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$3M 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 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 Purchasing Division of the General Services Department the awarded amount involved. I will indicate in the report the award 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.

(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 unaward of the procurement involved if the statements are proven to be incorrect.



**CITY OF RIO RANCHO
DEPARTMENT OF FINANCIAL SERVICES**

**RFP 20-FS-009
Auditor Services**

**Appendix D
ACKNOWLEDGMENT FORM**

Please complete this form and return it to the City of Rio Rancho Financial Services Department. Failure to return this form will not exclude a firm from submitting a proposal; however, only those prospective respondents who elect to return this form will receive addenda, if issued, and/or other information pertaining to this solicitation.

Name of Firm: _____

Firm Representative: _____

Title: _____

Phone: _____ **Fax:** _____

E-Mail: (required) _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

When completed, please email, fax or mail this form to the following contact:

Shonna Ybarra, Purchasing and Contracts Manager
 CITY OF RIO RANCHO
 DEPARTMENT OF FINANCIAL SERVICES
 3200 CIVIC CENTER CIRCLE
 RIO RANCHO, NM 87144
 Phone: (505) 891-5044
 Fax: (505) 891-5762
sybarra@rrnm.gov



**CITY OF RIO RANCHO
DEPARTMENT OF FINANCIAL SERVICES**

**RFP: 20-FS-009
Auditor Services**

**Appendix E
REFERENCE FORM**

The responses to the questions below must be filled out by an employee of the listed reference (not by the submitting Offeror). The reference is asked to complete this form and return it to the City of Rio Rancho Purchasing Department no later than 10:00 AM on April 10, 2020. Please email completed form to Shonna Ybarra at sybarra@rrnm.gov. *Thank you for your time.*

RFP Offeror/Audit Firm Name: _____

Name of Agency/Reference: _____

Reference Name: _____

Title: _____

Phone: _____ **Fax:** _____

E-Mail: (required) _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Reference Response:

Please rank your experience with the Offeror as follows; 5 being the most satisfied and 1 being the least satisfied. Should you have any questions regarding this form please contact Shonna Ybarra, CORR Purchasing Division, at (505)891-5044.

	Most Satisfied		to		Least Satisfied
1. Adherence to Schedule and Timeliness:	5	4	3	2	1
2. Willingness to Provide Guidance Regarding Accounting and Reporting:	5	4	3	2	1
3. Validity of Audit Findings:	5	4	3	2	1
4. Customer Service (Returning Calls and emails):	5	4	3	2	1
5. Overall Performance:	5	4	3	2	1

Signature of Reference Completing Form

Date Signed