



REQUEST FOR PROPOSALS

FOR

AUDIT SERVICES

RFP NO. R241655

RFP ISSUE DATE: January 31, 2024

**PROPOSAL DUE DATE AND TIME:
TUESDAY, FEBRUARY 27, 2024, BY 2:00 P.M. PACIFIC TIME**

TO

FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT
ATTN: HELEN HE
500 CASTRO STREET
P.O. BOX 7540
MOUNTAIN VIEW, CA 94039-7540

**FOR QUESTIONS REGARDING THIS REQUEST FOR PROPOSALS,
CONTACT THE POINT OF CONTACT (POC):**

HELEN HE, ACCOUNTING MANAGER
PHONE: 650-903-6010
helen.he@mountainview.gov

TABLE OF CONTENTS

	<u>Page</u>
I. BACKGROUND	1
II. SCOPE OF SERVICES.....	4
III. RFP PROCESS	8
A. INVITATION TO RESPOND.....	8
B. ISSUING OFFICE	8
C. QUESTIONS.....	8
D. PROPOSED SCHEDULE	9
E. PREPROPOSAL CONFERENCE.....	9
F. CLARIFICATIONS	9
G. SUBMISSION OF PROPOSALS.....	10
H. CLOSING DATE.....	13
I. LATE SUBMISSIONS	13
J. ECONOMY OF PREPARATION	14
K. PROPRIETARY/CONFIDENTIAL INFORMATION.....	14
L. PROPOSAL MATERIAL OWNERSHIP	14
M. MULTIPLE/ALTERNATIVE PROPOSALS	15
N. ACCEPTABILITY OF PROPOSALS	15
O. PROPOSAL EVALUATION AND SELECTION	15
P. CITY’S RIGHTS	16
Q. EVIDENCE OF RESPONSIBILITY	17
R. INCURRED EXPENSES.....	17
S. NEWS RELEASES/ADVERTISING	17
T. CONFIDENTIALITY.....	17
U. CONFLICT OF INTEREST	17
IV. AGREEMENT TERMS.....	17
V. ATTACHMENTS.....	18
ATTACHMENT A—PROPOSAL COVER PAGE	
ATTACHMENT B—PROPOSAL PRICE FORM	
ATTACHMENT C—REFERENCES	
ATTACHMENT D—SAMPLE CITY STANDARD CONTRACT	

I. BACKGROUND

- A. The City of Mountain View (City), incorporated in 1902, is a full-service charter city with a City Council/City Manager form of government and over 680 regular positions representing 14 departments. It is a municipal corporation of the State, located in Santa Clara County, California. The City is just over 12 square miles with a population of approximately 83,600 and has a General Operating Fund budget for Fiscal Year 2023-24 of approximately \$172.7 million.

B. SEPARATE ENTITIES

In addition to its function as the governing body of the City, the Mountain View City Council acts as the governing body for two separate entities: the Mountain View Shoreline Regional Park Community (Shoreline Community) and the City of Mountain View Capital Improvements Financing Authority (Financing Authority).

The Shoreline Community is a separate government entity created for the purpose of developing approximately 1,550 acres of bayfront lands. The Shoreline Community's governing board is the same as the City and the City's management has operational responsibility for the Shoreline Community. The Financing Authority was created to issue bonds and to advance refund the City's lease obligation and certain tax allocation bonds of the Shoreline Community under the Marks-Roos Local Bond Pooling Act of 1985.

The Shoreline Community is reported as a separate component unit within the City's Annual Comprehensive Financial Report (ACFR). There is no requirement for a separate financial report for the Financing Authority.

In view of the City Council's responsibilities with respect to these entities, their financial activities are included in the scope of the audit and reporting provisions of various financing covenants.

C. DESCRIPTION OF FUNDS

The City of Mountain View uses the following fund types and account groups.

	<u>Number of Individual Funds</u>
Governmental Funds	
General Fund	1
Special Revenue Funds	16
Debt Service Funds	4
Capital Projects Funds	3
Proprietary Funds	
Enterprise	3
Internal Service	6
Fiduciary Funds	
Custodial Funds	4

The following are kept on the City's general ledger to be used for the preparation of the Government-Wide Financial Statements:

Account Groups:

General Long-Term Debt	1
General Fixed Assets	1

D. DESCRIPTION OF SYSTEMS, RECORDS, AND PROCEDURES

The City maintains most accounting records through a financial information software package. The software is known as Finance Enterprise (FE) by Central Square. The City currently utilizes the budgeting, payroll, human resources, accounts payable, purchasing, encumbrance, fixed assets, and stores inventory subsystems which are fully integrated with the general ledger.

While most accounting transactions are entered through FE, an audit of the FE system itself is not requested. It is left to the professional judgment of the audit firm to determine the extent to which system testing must be performed in order to express an opinion on the financial statements.

The City also maintains a separate cash receipting and utility billing system for water, wastewater, and solid waste.

The City has had no significant management letter comments or audit adjustments for several years.

E. PROJECT OVERVIEW

The City is soliciting proposals from qualified certified public accounting firms to conduct the annual independent audit of the City's financial transactions and to express an opinion on the fairness of the presentation of the City's financial statements, component unit audits of the Shoreline Community, agreed-upon procedures report on the appropriations limit worksheet, and Transportation Development Act grants audits and reports.

These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the Federal Single Audit Act as amended in 1996, and the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments and Non-Profit Organizations.

The selected audit firm will serve the City Council as auditor for certain other projects as determined by the City. The additional projects may include agreed-upon procedures of several City leases and purchase card program. In addition, the successful firm may also be contracted to prepare the financial statements, schedules, and accompanying notes for inclusion in the City's ACFR. The contract period for this engagement will be for four (4) years, with an option to extend for two (2) years thereafter. These optional extensions will be done by a separate engagement letter.

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.

Information necessary to submit a responsive proposal is contained in this document.

F. MANDATORY QUALIFICATIONS OF THE AUDITOR

The following information must be provided by all respondents. The proposer should disclose the local office that will be providing resources for the audit and respond to these qualifications as they relate specifically to that office.

1. Affirmation that the proposer and all assigned key professional staff are properly licensed for public practice as a **Certified Public Accountant** in the State of California.

2. Affirmation that the proposer meets the **independence** requirements of the Government Auditing Standards, as published by the U.S. General Accounting Office.
3. Affirmation that the respondent and any employees proposed to be assigned to this audit **do not have a record of substandard audit work** nor have any outstanding claim of substandard work or unsatisfactory performance pending with the State Board of Accountancy or other professional organizations.
4. Affirmation that the office has successfully completed **two (2) or more engagements of local agencies with 50,000 or more population and \$100 million or more in general governmental revenues in the past three years.** At least two (2) local agencies must have had single audits performed.

In addition, respondents shall list all personnel to be assigned to the audit and relevant experience in governmental auditing and the principal office of all assigned personnel. Personnel must include two (2) members with three (3) or more years of relevant municipal experience. Changes in assigned personnel must be approved by the City.

G. ASSISTANCE AVAILABLE TO PROPOSERS AND ADDITIONAL INFORMATION

1. City staff will be made available to answer questions and provide assistance. Documentation and certain schedules will be provided to assist in the auditor's work papers.
2. Space will be made available in the Finance and Administrative Services Department for outside audit personnel, if needed.
3. Computer access will be made available, as necessary, for the purposes of testing automated records.
4. Financial system documentation will be available for review.
5. The City of Mountain View has been audited by the firm of Macias Gini & O'Connell for the last eight (8) fiscal years ending June 30, 2023.

II. SCOPE OF SERVICES

A. AUDIT OPINION

The purpose of the audit is to express an opinion as to the fair presentation of the basic financial statements of the City in accordance with generally accepted accounting principles (GAAP) and applicable laws and regulations.

B. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PRONOUNCEMENTS

In addition to expressing an opinion on the City's compliance with current governmental GAAP, the audit firm shall also be required to provide assistance in the implementation of applicable GASB pronouncements not yet in effect, such as Statement Nos. 99 through 101. The costs for these services should be included in the base contract price.

C. WORK PAPERS

The audit firm will prepare all audit work papers necessary for expressing an opinion on the fairness of the presentation of the City's financial statements. Certain schedules to be agreed upon will be provided to the auditors for inclusion in their work papers.

D. SINGLE AUDIT

The audit firm will perform a single audit on the expenditures of Federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each major Program, Internal Control over Compliance, and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include an appropriate schedule of expenditures of Federal awards, footnotes, findings, and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

E. UPDATE ON AUDIT STATUS

On a weekly basis, or as deemed necessary by the City, the auditor shall meet with the Finance and Administrative Services Director's management staff to discuss the status of the audit, proposals for any cost overruns (which must be approved in advance by the Finance and Administrative Services Director), total hours incurred, potential management comments (Memorandum on Internal Control Structure), potential audit adjustments, and estimated completion date.

F. EXIT CONFERENCES

Exit conferences are required for each year of the audit engagement. Conferences will be held with the Finance and Administrative Services Director and management staff. Separate exit conferences may be held with the City Manager or designated

representatives, if so requested. Periodic status reports on the progress of each annual audit will be presented to the City Manager or representative if requested.

G. GFOA REVIEWS

The City intends to submit its ACFR each year to the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting awards program. The auditor selected shall be expected to review the City's ACFR to ensure compliance with the requirements of the award program.

H. REPORT PRESENTATION

The audit firm shall present the ACFR and Memorandum on Internal Control and Required Communications to the Council Finance Committee after the completion of the audit each fiscal year.

I. SPECIAL REPORTS AND AUDITS

The selected firm shall also serve as auditor for certain additional projects and studies as may be deemed necessary by the City. The firm shall provide services for audits and other special reports that may be requested by the City Council, City Auditor, or the Finance and Administrative Services Director. Separate engagement letters will be negotiated for special requests.

A copy of the ACFR is available on the City's website [here](#).

J. REPORTS TO BE ISSUED

1. Annual Comprehensive Annual Financial Report (ACFR): The auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. Component Units: Separate opinion for the Shoreline Community shall be provided. Such opinion shall include a statement that the audit was performed in accordance with generally accepted auditing standards.
3. Single Audit: The audit report shall state that the audit was made in accordance with the following:
 - Single-audit provisions of OMB Circular A-133.
 - Generally accepted auditing standards.
 - Government Auditing Standards issued by the Comptroller General.

Required reports shall include:

- a. Summary of audit results.
 - b. Report on internal control over financial reporting and structure based on compliance and other matters based on an audit of the financial statements performed in accordance with Government Auditing Standards.
 - c. Report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.
4. Transportation Development Act (TDA) and Miscellaneous State Grants: These reports will be required on an as-needed basis and should include the following as appropriate:
- a. Auditors' opinion.
 - b. Independent auditors' compliance report.
 - c. Independent auditors' report on internal control structure.
5. Special Agreed-Upon Procedures Appropriation Limit: The independent auditor's report on the agreed-upon procedures applied to the appropriations limit worksheet.
6. Report to the City Council: The auditor shall report control deficiencies and noncompliance identified in the annual financial audit in a separate report to the City Council and management, in accordance with generally accepted auditing standards.

In the required report on compliance and internal controls, the auditor shall communicate any significant deficiency or material weakness found during the audit. The report also includes Required Communications advising the City of opportunities observed for economies in operations, recommendations for financial management improvements, or improvements in the effectiveness of the City's utilization of financial resources if any such findings are observed. A memorandum indicating no material weaknesses or areas for improvement would be required if no findings exist.

K. OPTIONAL REPORTS

1. ACFR Preparation: At the option of the City, the financial statements, schedules, and accompanying notes may be prepared by the audit firm for inclusion in the City's ACFR.
2. Special Agreed-Upon Procedures: Separate reports may be requested for each or any of the below and will be negotiated under separate engagement letters.
 - a. Silicon Shores Lease
 - b. Purchase Card program
 - c. Other Miscellaneous Finance programs
 - d. Cash Receipts Audit

III. **RFP PROCESS**

A. INVITATION TO RESPOND

The City of Mountain View invites qualified Proposers (Proposers) to provide proposals for Audit Services. See Scope of Services, Section II, for detailed requirements. Proposals are solicited in accordance with the terms, conditions, and instructions as set forth in this Request for Proposals (RFP).

B. ISSUING OFFICE

The Finance and Administrative Services Department is the department issuing this RFP. Proposers who do not notify the Point of Contact (POC) with their contact information and the RFP number when contacting the City assume complete responsibility in the event that they do not receive communications prior to the closing date.

- C. QUESTIONS. Please email the POC if there are any questions regarding the RFP solicitation and process. Respondents and individuals associated with their firm shall not contact City employees, their Contractors, or elected City officials outside of the process identified.

1. Proposers are responsible for reading carefully and understanding fully the terms and conditions of this RFP. Please email any requests for clarification or additional information to the POC by the date listed in the RFP Schedule. Requests should contain the following: "Questions: R241655—RFP for Audit Services" in the subject line. It is incumbent upon Proposers to verify City receipt of their questions.

2. All questions will be answered in writing. Both questions and answers will be distributed, without identification, to all Proposers who are on record with the City as having received this RFP via an addendum. No oral communications can be relied upon for this RFP.
3. To the extent that a question causes a change to any part of this RFP, an addendum will be issued addressing such changes.

D. PROPOSED SCHEDULE

The following table outlines the City's proposed schedule of major activities related to the RFP distribution, proposal submission, evaluation, and selection processes. All times referenced are in Pacific Time. The City reserves the right to amend the schedule as necessary.

	<u>Date</u>
1. RFP issued to prospective Proposers	January 31, 2024
2. Last date for submission of written questions (5:00 p.m.)	February 9, 2024
3. Issue addendum/response to written questions	February 13, 2024
4. Proposal submission deadline (2:00 p.m.)	February 27, 2024
5. Evaluation of proposals	February 28– March 15, 2024
6. Tentative Council Finance Committee meeting for interviews of Proposers	March 20, 2024
7. Negotiation with top-ranked Proposer	March 25–27, 2024
8. Contract awarded by the City Council	April 23, 2024
9. Commencement of interim field work	May 6, 2024
10. Commencement of final field work	August 26, 2024
11. Completion of field work	September 6, 2024
12. Receipt of all required opinions, reports	November 8, 2024

E. PREPROPOSAL CONFERENCE

A preproposal conference will NOT be held.

F. CLARIFICATIONS

The City reserves the right to obtain clarification of any point in a Proposer's submittal or to obtain additional information necessary to properly evaluate a particular

response. Failure of a Proposer to respond to such a request for additional information or clarification may result in rejection of the Proposer's proposal.

G. SUBMISSION OF PROPOSALS

1. Proposals shall be:
 - a. Submitted in the format set forth herein;
 - b. Made in the official name of the firm or individual under which the vendor's business is conducted (including the official business address);
 - c. Cover Page of this RFP signed by a person duly authorized to submit a proposal to this RFP solicitation;
 - d. Addressed to the POC, as identified on the Cover Page of this RFP; and
 - e. Submitted in an electronic format with the Proposer's name on each file via PlanetBids. Attachments shall be provided in the same manner.

2. Proposal Format:

- a. Section 1—Completed Cover Page, Attachment A.
- b. Section 2—Executive Summary, including highlights, key features, and distinguishing points of the proposal as well as the following:

A summary of:

1. The Proposer's understanding of the work to be performed and make a positive commitment to perform the work within the time period proposed.
2. The names of persons authorized to represent the respondent, title, address, and telephone number.
3. The name of the person(s) who are authorized to sign for and obligate the firm contractually.
4. Confirmation audit firm that meets the Mandatory Qualifications of Section I.F.

Affirmative statements indicating:

1. The firm and all assigned key professional staff are properly licensed to practice in California.
 2. The firm is independent of the City of Mountain View as defined by generally accepted auditing standards/the U.S. General Accepting Office's Government Auditing Standards.
 3. The independent auditor possesses (or will possess) a City of Mountain View business license while conducting all work under the agreement.
- c. Section 3—Firm Profile, including organization structure, financial stability, lawsuits, location of the office which the work on this engagement is to be performed, and pending or settled litigation for the previous five (5) years, firm capacity, and resources.

The Proposer is required to submit a copy of a report on its most recent external quality control review (peer review) with a statement on whether that quality control included a review of specific government engagements.

The Proposer shall provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the Proposer shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

- d. Section 4—Firm Qualifications, including brief description of similar projects undertaken within the past five (5) years, summary of work performed, total project cost, and time period. Include a brief statement of the firm's adherence to schedule and budget for the referenced project. Identify the project manager and the project team. Include a summary resumé of each member with the proposal, including Certified Public Accountant status and recent relevant continuing professional education. In addition, include a summary of additional audit experience, including management reviews, compliance audits, agreed-upon procedures, and internal reviews.
- e. Section 5—Work Plan, including staffing and schedule. Provide a well-conceived service plan establishing an understanding of the City's requirements and the Proposer's ability to satisfy the requirements,

schedule, customer service component, and approach in providing the services. Proposers may also suggest technical, procedural innovations, or new concepts that have been used successfully on other engagements and which may provide the City with better service delivery. Proposals should outline the following details:

- Work Plan and Timeline with key deliverables, including business process reviews, tasks, and activities.
 - Proposed staff assigned to project with key roles, their qualifications and responsibilities, and approximate dedication of each resource and approximate time work will be completed on-site versus off-site.
 - Sample size and the extent to which statistical sampling is to be used in this engagement.
 - Type and extent of analytical procedures to be used in this engagement.
 - Approach to be taken to gain and document an understanding of the City's internal control structure.
 - Approach to be taken in determining laws and regulations that will be subject to audit test work.
 - Approach to be taken in drawing audit samples for purposes of tests of compliance.
 - Explain roles and responsibilities the City is expected to provide.
 - Provide a sample project plan.
 - Indicate if Artificial Intelligence will be utilized during the audit process and how the firm is proposing it will be used.
- f. Section 6—Proposal Costs, on form provided, Attachment B. Include the proposed costs to provide the services desired as well as any other cost and price information with a not-to-exceed amount. The cost should be broken down by report/deliverable. Include, if applicable, the hourly rates that may be used for pricing the cost of additional services outlined in the Scope of Work. The City does not pay for services before it receives them. Therefore, do not propose contract terms that call for up-front payments or deposits.

All travel time, mileage, and per diem shall be included in the submitted proposal price. No additional reimbursements for travel, food, or other expenses shall be made by the City.

In addition, please estimate the total hours for each position classification assigned to the audit and the hourly rate applicable to the classification. Please use the following format as a guide in presenting this information.

Audit Segment	Position Title	Rate	No. of Hours	Total
General Audit				
Single Audit				
Shoreline Regional Park Community				
Transportation Development Act				
Appropriation Limit				
ACFR Preparation				
Total Proposed Cost of Audit				

- g. Section 7—References, minimum of three (3) from projects of similar scope, preferably from public agencies on form provided, Attachment C. Provide a list of three (3) recent (within the last three years) government clients of which at least two of the local agencies are of population greater than 50,000 and \$100 million or more in general governmental revenues. Two of the three cities should have engaged the auditors for a single audit. Please complete Attachment C, References.
- h. Section 8—Discuss any exceptions or requested changes to the RFP requirements and conditions. If no exceptions are noted, it is assumed the Proposer will accept all conditions and requirements of this RFP.
- i. Section 9—Insurance Certificate, copy of evidence of insurance as requested, per the attached Sample Contract, Attachment D.

H. CLOSING DATE

Proposals must arrive at the location, date, and time identified on the Cover Page of this RFP in the format set forth herein. There will be no public opening of the proposals. The names of Proposers will not be released until after contract award.

I. LATE SUBMISSIONS

If mailing proposals, please allow sufficient mail delivery time to ensure timely receipt by the issuing office. Delivery of the proposal to the specified location by the

prescribed time and date is the sole responsibility of Proposers. Any proposal, modifications to proposals, or request for withdrawal of proposals arriving after the closing date and time are late and will not be considered unless the City determines that accepting the late proposal would be in the best interest of the City, and:

1. If it was transmitted through an electronic commerce method authorized by the solicitation and it was received at the initial point of entry to the City's infrastructure not later than the specified time; or
2. There is acceptable evidence to establish that it was received at the City location designated for receipt of proposals and was under the City's control prior to the time set for receipt of proposals; or
3. It was the only proposal received.

J. ECONOMY OF PREPARATION

Proposers shall prepare each proposal simply and economically, providing a straightforward, concise description of the Proposers' offer and capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content.

K. PROPRIETARY/CONFIDENTIAL INFORMATION

Any information submitted with a proposal is a public record subject to disclosure unless a specific exemption applies. If a Proposer submits information clearly marked proprietary or confidential, it will be treated with the confidentiality to the extent permitted by law. However, it is the Proposer's obligation and expense to defend any legal challenges seeking to obtain said information. The City shall incur no liability due to release of information from a proposer labeled "proprietary" or "confidential."

L. PROPOSAL MATERIAL OWNERSHIP

All material submitted regarding and in response to this RFP becomes the property of the City of Mountain View and will only be returned to the Proposer at the City's option. Any person may review proposals after final selection and the contract award has been made. The City of Mountain View has the right to use any or all system ideas presented in reply to this request, subject to limitations outlined above in "Proprietary/Confidential Information." Disqualification of a Proposer does not eliminate this right.

M. MULTIPLE/ALTERNATIVE PROPOSALS

Proposers may submit more than one (1) proposal to reflect an alternative scope of work, project process, etc. However, only one (1) proposal should be identified as the Proposer's "PRIMARY PROPOSAL," and all others should be identified as "ALTERNATIVE PROPOSAL." To facilitate the evaluation process, the "ALTERNATIVE PROPOSAL" must follow the same format as the "PRIMARY PROPOSAL." Alternative approaches will be given consideration if the approach clearly offers increased benefits to the City.

N. ACCEPTABILITY OF PROPOSALS

The City shall determine which Proposers have met the requirements of this RFP. Failure to comply with any mandatory requirement will disqualify a proposal. The City shall have the sole authority to determine whether any deviation from the requirements of this RFP is substantial in nature. The City may waive or permit to be cured minor irregularities or minor informalities in proposals that are immaterial or inconsequential in nature. Determination of acceptability of proposals shall be at the City's sole discretion.

The contents of the response of the successful proposal will become contractual obligations for contract negotiations. Failure of the responder to accept these obligations in a contract may result in cancellation of further negotiations.

O. PROPOSAL EVALUATION AND SELECTION

The City will evaluate proposals and select one Proposer to provide the requested services. The contract award will be made to the responsible Proposer whose proposal is determined to provide the overall best value to the City considering the evaluation criteria, including price.

The City shall evaluate firms in two phases: one in response to criteria specified and overall costs in Phase I and one in evaluation and interviews in Phase II. The selected firm will be invited to negotiate a contract in Phase III.

The City will select an auditing firm based on the demonstrated competence and on the professional qualifications necessary for satisfactory performance of the services required. When selecting the firm, the skill and ability of the entity or person performing the services is a key component of the selection criteria. Cost will be only one factor in determining the selection. The contract may not be awarded to the lowest bidder and, therefore, the City will undertake the following evaluation process:

1. The City will review and evaluate all submitted documents received per this RFP.

2. Submittals will be reviewed for responsiveness and evaluated based on the factors in the table below.

Phase I

Evaluation Criteria	Points
<u>Firm Credentials</u> : The firm's past practice and performance on comparable government engagements, including ability of the firm to be nationally recognized by bond rating agencies, attorneys, underwriters, bond insurers, and financial institutions.	25
<u>Staff Credentials</u> : The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.	25
<u>Audit Approach</u> : The quality of the proposed approach, including documenting and understanding the internal control structure, drawing audit samples, and preliminary schedule for performing key phases of the audit. Number of hours assigned to each task will also be considered.	25
<u>Cost</u> : Competitive cost of services.	15
<u>Responsiveness to RFP</u> : The firm's adherence to the terms set forth in this RFP. Inclusion of all required elements listed in this RFP.	10
Total	100

Phase II

In Phase II, firms successfully meeting the criteria in Phase I will be evaluated and invited to an interview with the Council Finance Committee and staff.

Phase III

In Phase III, the most qualified firm, as determined in Phases I and II, will be invited to negotiate a contract.

P. CITY'S RIGHTS

The City reserves the unilateral right to cancel this RFP, in whole or in part, or reject any or all proposals submitted in response to this RFP when such action is determined

to be advantageous to the City as determined solely by the City. The City also reserves the unilateral right to award a contract in whole or in part; to award a contract to one (1) or more Proposers; to waive or permit cure of minor irregularities; and to conduct discussions with Proposers in any manner necessary.

Q. EVIDENCE OF RESPONSIBILITY

Prior to the award of a contract pursuant to this RFP, the City may require the Proposer to submit such additional information bearing upon the Proposer's ability to perform the contract as the City deems appropriate. The City may also consider any information otherwise available, including, but not limited to, price, technical proposal, and qualifications relative to ability, capacity, integrity, ethics, performance record, and experience of the responder.

R. INCURRED EXPENSES

The City will not be responsible for any expenses incurred by Proposers in preparing and submitting a proposal to this RFP.

S. NEWS RELEASES/ADVERTISING

News releases and/or advertising pertaining to this procurement or any part of the subject shall not be made without prior written approval of the City of Mountain View.

T. CONFIDENTIALITY

The Proposer shall instruct their employees and the employees of any subcontractors to keep as confidential information concerning the business of the City and the City's financial affairs, relations with City residents, and City employees and any other information which may be specifically classified as confidential by the City of Mountain View.

U. CONFLICT OF INTEREST

Pursuant to Section 706 of the City of Mountain View Charter, no City officer or employee shall have a financial interest, either directly or indirectly, in any contract, sale, purchase, or lease to which the City is a party.

IV. AGREEMENT TERMS

- A. It is anticipated that the resulting agreement will be for a fixed four (4) year contract from Fiscal Year 2023-24 to Fiscal Year 2027-28 with an option to extend for an additional two (2) year fixed term, renewable by the City Council with

recommendation by the Council Finance Committee. The City reserves the right to negotiate additional contract terms upon each renewal term.

- B. The successful Proposer will be required to enter into a contract for services with the City and utilize the City's Standard Contract, Attachment D. **Please review the attached standard City contract for additional requirements, including Section 10, Business License, and Section 11, Insurance.**

V. ATTACHMENTS

ATTACHMENT A—PROPOSAL COVER PAGE

ATTACHMENT B—PROPOSAL PRICE FORM

ATTACHMENT C—REFERENCES

ATTACHMENT D—CITY STANDARD CONTRACT

ATTACHMENT A—PROPOSAL COVER PAGE

PROPOSER

Company: _____

Federal Tax I.D. No.: _____

Street Address: _____

City: _____

State: _____ Zip Code: _____

Tel. No.: _____ Fax No.: _____

Email: _____

Name: _____

[PRINT OR TYPE]

Signature:* _____

Title: _____

Date: _____

* Authorized Signature: The signer declares under penalty of perjury that the signer is authorized to sign this document and bind the company or organization to the terms of this Agreement. The signer further understands and agrees that the conditions set forth in the instructions to Proposers, the terms and conditions and the specifications, together with this RFP, its attachments and amendments, the proposal, and any other documents submitted in response to the foregoing, shall form a part of and be construed with the contract.

ADDENDA

To ensure that all Proposers have received each addendum, please check the appropriate box(es) below. Failure to acknowledge receipt of addendum/addenda may be considered an irregularity in the proposal:

Addendum number(s) received: ☐ 1 ☐ 2 ☐ 3

Or, ☐ No addendum/addenda were received

Signature: _____

ATTACHMENT B—PROPOSAL PRICE FORM

ITEM NO.	DESCRIPTION	FEES
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.	Other: _____ _____	

Escalation Factor:

Total Not to Exceed— ____-Year Term: \$ _____

Additional Optional— ____-Year Term(s): \$ _____

Pricing based on the following:

- Fixed fee for proposed Scope of Services.
- Any additional related expenses included.
- Escalation rates for subsequent term of agreement, if any.
- A total not-to-exceed cost.

ATTACHMENT C—REFERENCES

Please provide a minimum of three (3) references where work of a similar size and nature was performed within the past five (5) years, preferably for a public agency.

Client Name: _____ **Contact Name:** _____
Address: _____ **Phone Number:** _____
_____ **Fax Number:** _____
_____ **Email:** _____

Date of Project (when was work performed): _____

Describe what product or service was provided:

Client Name: _____ **Contact Name:** _____
Address: _____ **Phone Number:** _____
_____ **Fax Number:** _____
_____ **Email:** _____

Date of Project (when was work performed): _____

Describe what product or service was provided:

Client Name: _____ **Contact Name:** _____
Address: _____ **Phone Number:** _____
_____ **Fax Number:** _____
_____ **Email:** _____

Date of Project (when was work performed): _____

Describe what product or service was provided:

ATTACHMENT D—CITY STANDARD CONTRACT

**AGREEMENT BETWEEN THE CITY OF MOUNTAIN VIEW
AND _____ FOR AUDIT SERVICES**

This AGREEMENT is dated for identification this ____ day of _____ 2024, by and between the CITY OF MOUNTAIN VIEW, a California charter city and municipal corporation, whose address is 500 Castro Street, P.O. Box 7540, Mountain View, California, 94039-7540 (hereinafter "CITY"), and _____, a _____, whose address is _____ (hereinafter "CONSULTANT"), (CITY and CONSULTANT hereinafter collectively "Parties" or individually "Party").

RECITALS

A. WHEREAS, CITY desires to retain the services of CONSULTANT to provide financial audit services; and

B. WHEREAS, CONSULTANT is a qualified professional capable of providing the certain professional services which CITY seeks.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals and mutual promises contained herein, CITY does hereby engage CONSULTANT, and CONSULTANT agrees, to perform the services set forth herein in accordance with the following terms and conditions:

1. **Description of Services.** CONSULTANT shall provide the services set forth in CONSULTANT's proposal dated _____, attached hereto and incorporated herein as Exhibit A.

2. **Schedule and Term.** The schedule for performing said services is as follows:

CONSULTANT shall commence work under this Agreement on _____ and shall complete all work under this Agreement no later than _____.

3. **Compensation.** The ____ rate for services under this Agreement shall be _____ Dollars (\$____). Compensation to CONSULTANT for services as set forth in Exhibit A shall not exceed _____ Dollars (\$____). Compensation to CONSULTANT for additional services, as assigned and only upon prior written authorization by CITY, shall not exceed _____ Dollars (\$____). Maximum compensation to CONSULTANT for providing the services set forth herein shall not exceed (including reimbursed expenses) _____ Dollars (\$____).

4. **Contractor Building Access.**

a. All CONSULTANT's employees and subcontractor's employees servicing CITY's account that require or request unescorted building access must be enrolled in the "Live Scan" fingerprint program, and the Department of Justice shall determine whether any individuals have been arrested or convicted of a violent or serious felony or has a pending criminal proceeding for a felony as defined in Section 45122.1 of the California Education Code. This report must be received and accepted by CITY from the Department of Justice prior to CONSULTANT's employees and subcontractor employees beginning work. No CONSULTANT, CONSULTANT employees, subcontractor, or subcontractor's employees shall commence or continue work without clearance from the Department of Justice.

b. All required fees related to the Live Scan application process and other travel costs and time associated with security clearance will be the responsibility of CONSULTANT.

c. The forms and appointments may be obtained from the Mountain View Police Department at 650-903-6344. Each applicant will make an appointment to obtain an application and to have fingerprints taken; charges will apply at this time (Fifty-Two Dollars (\$52) per applicant). The clearance process takes approximately two (2) weeks. After the clearance is given, an appointment should be made with CITY's Facilities Division, which will issue photo CONSULTANT ID badges.

d. While they are on the premises, CONSULTANT's employees shall display photo ID badges at all times.

5. **Payment Schedule.** CITY shall make periodic payments within thirty (30) days of receiving and approving a billing statement in proportion to the satisfactory completion of CONSULTANT's services.

6. **Reliance Upon Professional Skill.** It is mutually agreed by the Parties that CITY is relying upon the professional skill of CONSULTANT, and CONSULTANT represents to CITY that CONSULTANT's work shall conform to generally recognized professional standards in the industry. Acceptance of CONSULTANT's work by CITY does not operate as a release of CONSULTANT's said representation.

7. **Independent Contractor.** It is agreed that CONSULTANT is an independent contractor, and all persons working for or under the direction of CONSULTANT are CONSULTANT's agents and employees, or qualify as independent contractors as defined and required by applicable law, and said persons shall not be deemed agents, officers, partners, or joint venturers of CITY or employees of CITY by virtue of this Agreement. CONSULTANT will defend, indemnify, and hold CITY harmless from any claims, demands, liabilities, costs, and expenses arising from CONSULTANT's misclassification of workers providing services under this Agreement.

8. **Conflict of Interest.** If, in performing the services set forth in this Agreement, CONSULTANT makes, or participates in, a “governmental decision” as described in Title 2, Section 18700.3(a) of the California Code of Regulations, or performs the same or substantially all the same duties for CITY that would otherwise be performed by a CITY employee holding a position specified in CITY’s Conflict of Interest Code, CONSULTANT shall be subject to CITY’s Conflict of Interest Code, the requirements of which include the filing of one (1) or more statements of economic interest disclosing the relevant financial interests of CONSULTANT’s personnel providing the services set forth in this Agreement. If subject to CITY’s Conflict of Interest Code, CONSULTANT shall notify CITY’s City Clerk at city.clerk@mountainview.gov, 650-903-6304, or City Hall, 500 Castro Street, Third Floor, in order to enable electronic filing of the FPPC Statement of Economic Interest (Form 700).

9. **Ownership of Data and Documents.** CONSULTANT agrees all records, specifications, data, maps, designs, graphics, writings, recordings, and other tangible materials regardless of form or format, including, without limitation, electronically transmitted documents and ACAD files, and other collateral materials collected, compiled, drafted, prepared, produced, and/or generated in the performance of this Agreement shall be the property of CITY. CONSULTANT shall regularly provide such documents to CITY upon CITY’s request. In the event this Agreement is terminated prior to completion of the scope of work, CONSULTANT shall provide all such data and documents to CITY forthwith.

10. **Business License.** Prior to the execution of this Agreement, CONSULTANT shall comply with Article I of Chapter 18 of the Mountain View City Code. More information is available online at www.mountainview.gov/our-city/departments/finance-and-administrative-services/billing/business-licenses or at City Hall, 500 Castro Street, Second Floor, Finance and Administrative Services Department Lobby.

11. **Insurance.**

a. **Commercial General Liability Insurance.** CONSULTANT shall obtain and maintain Commercial General Liability insurance in a minimum amount of Two Million Dollars (\$2,000,000) per occurrence. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement or the general aggregate limit shall be twice the required occurrence limit. CONSULTANT’s insurance coverage shall be written on an occurrence basis.

b. **Automobile Liability Insurance.** CONSULTANT shall obtain and maintain Automobile Liability insurance in a minimum amount of One Million Dollars (\$1,000,000) per occurrence.

c. **Professional Liability Insurance.** CONSULTANT shall obtain and maintain Professional Liability insurance in a minimum amount of One Million Dollars (\$1,000,000) per claim. Professional Liability insurance must be maintained, and evidence of insurance shall be provided to CITY for at least three (3) years after completion of work under this Agreement.

d. Errors and Omissions Insurance. CONSULTANT shall obtain and maintain Errors and Omissions Liability insurance in a minimum amount of Two Million Dollars (\$2,000,000) per occurrence or claim.

Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by CONSULTANT in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including, but not limited to, infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties and credit monitoring expenses with limits sufficient to respond to these obligations. Technology Professional Liability or Errors and Omissions insurance must be maintained, and evidence of insurance shall be provided to CITY for at least five (5) years after completion of work under this Agreement.

e. Cyber Liability Insurance. CONSULTANT shall obtain and maintain Cyber Liability insurance in a minimum amount of Two Million Dollars (\$2,000,000) per occurrence or claim, Two Million Dollars (\$2,000,000) aggregate.

Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by CONSULTANT in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including, but not limited to, infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties and credit monitoring expenses with limits sufficient to respond to these obligations. Cyber Liability insurance must be maintained, and evidence of insurance shall be provided to CITY for at least five (5) years after completion of work under this Agreement.

f. Workers' Compensation Insurance. CONSULTANT shall obtain and maintain statutory Workers' Compensation insurance and Employer's Liability insurance in a minimum amount of One Million Dollars (\$1,000,000) per accident.

g. Acceptability of Insurers. Insurance is to be placed with insurers with a current *A.M. Best's Rating* of A:VII unless otherwise acceptable to CITY.

h. Verification of Coverage. Insurance, deductibles, or self-insurance retentions shall be subject to CITY's approval. Original Certificates of Insurance with endorsements shall be received and approved by CITY before work commences, and insurance must be in effect for the duration of the Agreement. The absence of insurance or a reduction of stated limits shall cause all work on the project to cease. Any delays shall not increase costs to CITY or increase the duration of the project.

i. Other Insurance Provisions:

(1) If CONSULTANT maintains broader coverage and/or higher limits than the minimums shown above, CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by CONSULTANT . Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

(2) The City of Mountain View and CITY's officers, officials, employees, and volunteers are to be covered as an additional insured by an endorsement at least as broad as ISO Form CG 20 10 11 85 or, if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37 if a later revision is used or other endorsement approved by CITY's Risk Manager for Commercial General and Automobile Liability coverages.

(3) For any claims related to CONSULTANT 's services pursuant to this Agreement, CONSULTANT 's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 with respect to CITY and CITY's officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY and CITY's officers, officials, employees, and volunteers shall not contribute to it.

(4) CONSULTANT grants CITY a waiver of any rights to subrogation which any insurer of CONSULTANT may acquire against CITY by virtue of the payment of any loss under such insurance (ISO CG 24 04 for CGL) and an endorsement to the Workers' Compensation policy. This provision applies regardless of whether or not CITY has received a waiver of subrogation endorsement from the insurer.

(5) CONSULTANT shall provide thirty (30) days' notice to CITY in the event of cancellation or modification to the stipulated insurance coverage.

(6) In the event CONSULTANT employs subcontractors as part of the work covered by this Agreement, it shall be the responsibility of CONSULTANT to ensure that all subcontractors comply with the same insurance requirements as stated in this Agreement.

(7) Approval of the insurance by CITY or acceptance of the Certificate of Insurance by CITY shall not relieve or decrease the extent to which CONSULTANT may be held responsible for payment of damages resulting from CONSULTANT 's services or operations pursuant to this Agreement, nor shall it be deemed a waiver of CITY's rights to insurance coverage hereunder.

(8) If, for any reason, CONSULTANT fails to maintain insurance coverage that is required pursuant to this Agreement, the same shall be deemed a material breach of Agreement. CITY, at CITY's sole option, may terminate this Agreement and obtain damages from CONSULTANT resulting from said breach. Alternately, CITY may purchase such required insurance coverage, and without further notice to CONSULTANT , CITY may deduct from sums due to CONSULTANT any premium costs advanced by CITY for such insurance.

13. **Hold Harmless.** To the fullest extent permitted by law, CONSULTANT hereby agrees to and shall indemnify, defend, and hold CITY and CITY's officers, employees, agents, and volunteers harmless from any liability for damage or claims for damage for personal injury, including, but not limited to, death and/or property damage, caused by negligent acts, errors, or omissions in performance of professional services or operations under this Agreement by CONSULTANT or CONSULTANT's contractors, subcontractors, agents, or employees. CITY shall cooperate reasonably in the defense of any action, and CONSULTANT shall employ competent counsel reasonably acceptable to the City Attorney.

14. **Applicable Laws and Attorneys' Fees.** This Agreement shall be construed and enforced pursuant to the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of Santa Clara. Should any legal action be brought by a Party for breach of this Agreement or to enforce any provision herein, the prevailing Party of such action shall be entitled to reasonable attorneys' fees, court costs, and such other costs as may be fixed by the court. Reasonable attorneys' fees of the City Attorney's Office, if private counsel is not used, shall be based on comparable fees of private attorneys practicing in Santa Clara County.

15. **Nondiscrimination.** CONSULTANT shall afford equal employment opportunities for all persons without discrimination because of race, color, religion, gender, sexual orientation, political affiliation, national origin, ancestry, age, marital status, physical or mental disability, military or veteran status, gender identity or expression, or genetic information.

16. **Amendment.** This Agreement may be amended in writing and signed by both Parties.

17. **Termination.** CITY may terminate this Agreement at any time by providing ten (10) days' advance written notice to CONSULTANT. Should CITY terminate pursuant to said notice, CITY shall pay CONSULTANT for CONSULTANT's services rendered to the date of termination based on percentage of completion of scope of basic services, including actual reimbursable expenses. In no event shall said fees exceed the maximum compensation established in this Agreement.

18. **Attachments or Exhibits.** Except as expressly referenced herein, no portion of any terms or conditions included in any attachments or exhibits shall be a part of this Agreement, and they shall have no force or effect. If any attachments or exhibits to this Agreement are inconsistent with this Agreement, this Agreement shall control.

19. **Entire Agreement.** This Agreement contains the entire understanding between the Parties with respect to the subject matter herein. There are no representations, agreements, or understandings (whether oral or written) between or among the Parties relating to the subject matter of this Agreement which are not fully expressed herein.

20. **Authority to Execute.** The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement.

21. **Waiver.** The failure of CITY to insist upon a strict performance of any of the terms, conditions, and covenants contained herein shall not be deemed a waiver of any rights or remedies that CITY may have and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions, and covenants contained herein.

22. **Headings.** The headings in this Agreement are inserted for convenience purposes only and shall not affect the terms of this Agreement.

23. **Public Records.** The Parties recognize and acknowledge that CITY is subject to the California Public Records Act, California Government Code Section 7920.000 and following. Public records are subject to disclosure.

24. **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid, or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

25. **Notices.** Any notice given under this Agreement shall be in writing and shall be given by delivering the same to such Party in person, by delivering the same to such Party by reputable overnight courier or express service, or by sending the same to such Party by registered or certified mail, return receipt requested, with postage prepaid. The address(es) of each Party for the giving of notices hereunder are, until changed as hereinafter provided, the following:

To CITY: Finance and Administrative Services Director
City of Mountain View
500 Castro Street
P.O. Box 7540
Mountain View, CA 94039-7540

To CONSULTANT : _____

Any notice will be deemed given on the date of delivery, on the date of refusal to accept delivery, or when delivery is first attempted but cannot be made due to a change of address for which no notice was given. A Party may change its notice address(es) at any time by giving written notice of such change to the other Party in the manner provided herein. Notice given by counsel shall be deemed given by the Party represented by such counsel.

26. **Compliance with Law.** CONSULTANT shall comply with all applicable laws and regulations of the Federal, State, and local government, including, but not limited to, "The Code of the City of Mountain View, California." CONSULTANT specifically agrees to comply with any applicable laws, regulations, and/or guidelines relating to COVID-19, including, but not limited

to, Centers for Disease Control and Prevention (CDC) guidelines, Santa Clara County Department of Public Health orders and/or guidelines, and CITY's protocols for contractors related to COVID-19 which are located at www.mountainview.gov/our-city/departments/finance-and-administrative-services/purchasing and incorporated herein by this reference, as amended from time to time.

27. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which in the aggregate shall constitute one and the same instrument, and the Parties agree that signatures on this Agreement shall be sufficient to bind the Parties.

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IN WITNESS WHEREOF, this Agreement, dated _____ for identification, between the City of Mountain View and _____ for Audit Services, is executed by CITY and CONSULTANT.

“CITY”:
CITY OF MOUNTAIN VIEW,
a California charter city and municipal
corporation

“CONSULTANT ”:
_____,
a _____

By: _____
City Manager

By: _____

Print Name: _____

Attest: _____
City Clerk

Title: _____

APPROVED AS TO CONTENT:

Taxpayer I.D. Number

FINANCIAL APPROVAL:

Finance and Administrative
Services Director

APPROVED AS TO FORM:

City Attorney