

**PLACER COUNTY
DEPARTMENT OF ADMINISTRATIVE SERVICES**

on behalf of the

AUDITOR-CONTROLLER'S OFFICE



Request for Proposals

for

**Examination of Annual
Financial Statements**

RFP 9881

Release Date: February 9, 2009

**Submittal Deadline:
March 5, 2009, not later than 5:00 PM Pacific Time**

**Request for Proposals to Conduct an Examination
of Annual Financial Statements
for
The County of Placer
Auditor-Controller's Office**

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1.0 Introduction and General Information

- 1.1 The County of Placer (County) is soliciting proposals from qualified firms to provide independent audit services. All proposals shall be valid and firm for a minimum of 120 days. The resulting contract shall begin approximately July 1, 2009 and shall expire on June 30, 2012 with optional extensions beginning July 1, 2012 and July 1, 2013 at the discretion of the County and special districts. The purpose of these audit services will be to:
 - 1.1.1 Express an opinion on the fair presentation of the County's basic financial statements, including the combining and individual fund financial statements, as included in the County's Comprehensive Annual Financial Report (CAFR) in accordance with accounting standards generally accepted in the United States of America (GAAP) for the fiscal years ending June 30, 2009, 2010, and 2011, with optional extensions for fiscal years 2012 and 2013, at the discretion of the County and Special Districts
 - 1.1.2 Perform a Single Audit of the County's federal award programs in accordance with the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Not-for-Profit Organizations*
 - 1.1.3 Perform an audit of the basic financial statements of the Redevelopment Agency of Placer County
 - 1.1.4 Perform a review of the County's Annual Appropriations Limit calculation as prescribed by Article XIII-B of the California Constitution (Proposition 111)
 - 1.1.5 Perform a biennial audit, in alternating years, of the basic financial statements of the Placer County Flood Control and Water Conservation District (Flood Control District) and the Placer County Air Pollution Control District (Air Pollution Control District)
 - 1.1.6 Perform an annual audit of the basic financial statements of the First 5 Placer Children and Families Commission (Commission)
 - 1.1.7 Perform an annual audit of the Tahoe Area Regional Transit (TART) Enterprise Fund
 - 1.1.8 Perform an annual financial and compliance audit of the Western Placer Waste Management Authority (Authority)
 - 1.1.9 Perform an annual financial and compliance audit of the Golden Sierra Job Training Agency (Agency)
 - 1.1.10 Perform an independent compliance audit for the Placer County Treasury Oversight Committee (TOC) including an audit of compliance to investment requirements in conformity with Article 6 (commencing with Section 27130), of Chapter 5, Division 2, Title 3 of the California Government Code.
- 1.2 All audit services shall be provided in accordance with all terms and conditions contained in this Request for Proposals.
- 1.3 Additional detail on the required reports to be provided by the Contractor and assistance to be provided by the County are described in Section 3.0 and Section 9.0 respectively.

- 1.4 The County operates under a charter and is governed by an elected five-member Board of Supervisors (Board). A County Executive is appointed by and reports to the Board. Organizational units of the County are under the direction of elected officials or appointed department/agency heads.
- 1.5 Accounting records for the County and financial statements for the CAFR are maintained and prepared by the Auditor-Controller's Office. The Auditor-Controller's Office will prepare and/or oversee the preparation of the financial statements for the Redevelopment Agency, Flood Control District, Air Pollution District, First 5 Placer Children and Families Commission, Western Placer Waste Management Authority, Golden Sierra Job Training Agency and TART Enterprise Fund. For financial reporting purposes, the County maintains 25 individual governmental funds, 4 enterprise funds, 3 internal service funds, 5 agency funds and an investment trust fund. The County reported 9 individual major funds, as defined in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, for the fiscal year ended June 30, 2008. A copy of the County's prior year CAFR is available online, as well as the County's 2008-2009 Final Budget, at the Auditor-Controller's website at www.placer.ca.gov/auditor/auditor.htm. Prior year reports for all other engagements will be provided upon request:
- 1.6 The County adheres to the accounting principles, standards and procedures prescribed by the State Controller's Office as set forth in its manual *Accounting Standards and Procedures for Counties*, which conforms to GAAP.
- 1.7 The County uses Performance Accounting Series (PAS) as its financial reporting system. PAS is an integrated system of modules that performs double entry accounting. Other computer applications used by the County include Peoplesoft (payroll processing), Megabyte (property tax assessment system), and SymPro (investment record maintenance).
- 1.8 Proposers may submit questions for clarification about the RFP requirements to the County via email to the following address: jboggan@placer.ca.gov with info copy to asisk@placer.ca.gov. All questions must be received by 5pm (Pacific Time) on February 18, 2009. However, the County reserves the right, at its discretion, to accept questions beyond that date, should unanticipated and significant issues arise. Immediate responses to questions are informal, and are not binding on the County. Questions and answers will be consolidated into one or more addenda to this RFP, providing an official response.
- 1.9 If a proposer discovers an ambiguity, discrepancy, conflict, omission or other error in the RFP, the contractor shall immediately notify the County, via email to the addresses in Section 1.9, of such error and request modification or clarification of the RFP. Modifications will be made by issuing an addendum to the RFP.

2.0 Tentative Project Schedule

RFP Issued	February 9, 2009
Last Day for Questions	February 26, 2009
Proposal Submission Deadline	March 5, 2009, NLT 5 PM
Proposal Evaluations and Interview Sessions	March 9 – April 2, 2009
Award Recommendation to Board of Supervisors	May 26, 2009
Final Negotiation and Contract Award	June 5, 2009
Contract Begins	July 1, 2009 or sooner

3.0 Scope of Services

3.1 The successful proposer (Contractor) shall perform audits and issue the required reports for the following:

3.1.1 The County's basic financial statements as included in the CAFR, as well as the expression of an opinion on the combining and individual fund financial statements included in the CAFR in relation to the financial statements taken as a whole. The funds included in the audit of the County's basic financial statements consist of the following:

- a. General Fund
- b. Special Revenue Funds
- c. Debt Service Fund
- d. Capital Projects Funds
- e. Permanent Fund
- f. Proprietary Funds
- g. Trust and Agency Funds

The County will be responsible for preparing the CAFR including all financial statements and footnotes.

3.1.2 In conjunction with the County's audit of the basic financial statements, perform a Single Audit and issue reports on the County's federal award programs in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. For the fiscal year ended June 30, 2008, the County had 6 major programs. In addition, supplemental schedules will be prepared for the following State grant programs: Office of Emergency Services, Department of Justice, Department of Insurance, Community Services and Development and Foster Family Agency.

The Contractor shall complete the online Data Collection Form (Form) and transmit the completed Form electronically to the Federal Audit Clearinghouse. The Contractor will also be required to print a final copy of the Form, sign and send the completed Form to the County for submission to the Federal Audit Clearinghouse.

3.1.3 The basic financial statements of the Redevelopment Agency of Placer County (Agency). The Agency is considered a blended component unit of the County for financial reporting purposes as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Organizations are Component Units*. The Agency has created three redevelopment project areas: North Lake Tahoe Redevelopment Project, Sunset Industrial Redevelopment Project and the North Auburn Redevelopment Project. The most recent Implementation Plans for the three project areas are for the following periods: North Lake Tahoe (2001-2006) and Sunset Industrial and North Auburn (2002-2007).

3.1.4 Annually perform a review of the County's Annual Appropriations Limit calculation as prescribed by Article XIII-B of the California Constitution (Proposition 111). This article requires that the annual calculation of the limit be reviewed as part of the annual financial audit.

3.1.5 Biennial audits in alternating years of:

- a. The basic financial statements of the Flood Control District. The Flood Control District is a separate legal entity, established pursuant to Chapter 126 of the California Water Code Appendix. A nine-member board of directors

governs the Flood Control District. The most recent audit of the Flood Control District was for the two years ended June 30, 2008.

- b. The basic financial statements of the Air Pollution Control District. The Air Pollution Control District is a separate legal entity, established pursuant to Section 40002 of the California Health and Safety Code. A nine-member board of directors governs the Air Pollution Control District. The most recent audit of the Air Pollution Control District was for the two years ended June 30, 2007. A biennial audit will be required for the two fiscal years ending June 30, 2009.
- 3.1.6 The basic financial statements of the Commission. The Commission is considered to be a discrete component unit of the County for financial reporting purposes as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Organizations are Component Units*. The Commission is governed by a nine-member board of directors appointed by the Board of Supervisors of the County.
- 3.1.7 Annual audit of the separate fund financial statements of the TART Enterprise Fund.
- 3.1.8 Annual audit of the basic financial statements of the Authority. The Authority is a joint powers authority comprised of the County, and the cities of Rocklin, Roseville and Lincoln. The Authority Board is comprised of two members from the County Board of Supervisors, and one member each from the Cities of Rocklin, Roseville and Lincoln. The Authority has contracted for the operation of the Materials Recovery Facility and the Western Region Sanitary Landfill. The Authority is staffed by County employees from the Department of Facility Services.
- 3.1.9 Annual audit of the basic financial statements of the Agency. The Agency is a joint powers authority and is comprised of five counties: Alpine, El Dorado, Nevada, Placer and Sierra. In conjunction with the Agency's audit of the basic financial statements, perform a Single Audit and issue reports on the Agency's federal award programs in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133.

The Contractor shall complete the online Data Collection Form (Form) and transmit the completed Form electronically to the Federal Audit Clearinghouse. The Contractor will also be required to print a final copy of the Form, sign and send the completed Form to the Agency for submission to the Federal Audit Clearinghouse.

- 3.1.10 The fairness of the Treasurer's assertion of compliance to the following California Government Code Section requirements for investment of funds in the Placer County Treasury:
 - a. Section 27131. - Establishment and determination of size and membership of the Placer County Treasury Oversight Committee.
 - b. Section 27132. - Oversight Committee membership requirements; pool of candidates.
 - c. Section 27132.1. - Oversight Committee member employment by reelection campaign contributors.
 - d. Section 27132.2. - Fundraising by Oversight Committee members for county officials.
 - e. Section 27132.3. - Oversight Committee member employment in a financial services industry.
 - f. Section 27132.4. - Open Oversight Committee meetings; Ralph M. Brown Act.
 - g. Section 27133, (a) through (h). - Periodic investment policy; preparation by treasurer; committee review and oversight [This section will require the

contractor to review Government Code Section 53600 and 53635 et al, for permitted investments].

- h. Section 27134. - Periodic audits by committee; article compliance.
- i. Section 27135. - Costs of compliance; reimbursement.
- j. Section 27136. - Withdrawal of funds from county treasury pool; requests; evaluation; approval criteria.
- k. Section 27137. - Day to day operations and decisions; committee involvement.

3.2 To meet the requirements of this RFP, the audits shall be performed in accordance with the applicable standards, which include the following: generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of the Single Audit Act Amendments of 1996; and OMB Circular A-133, *Audits of States, Local Governments and Not-for-Profit Organizations*.

3.3 In addition to the requirements above, the County also requires the preparation of a management letter for each audit, if applicable, in accordance with Statement on Auditing Standards (SAS) No. 114, *The Auditor's Communication with Those Charged with Governance*.

4.0 Required Reports

4.1 Contractor shall provide an independent auditor's report on the County's basic financial statements, including an "in-relation-to" opinion on the combining and individual fund financial statements and schedules that are presented as part of the County's CAFR.

4.2 As part of the Single Audit of the County's federal award program requirements, the following reports shall be required:

4.2.1 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements in accordance with *Government Auditing Standards*.

4.2.2 Independent auditor's report on compliance with requirements applicable to each major program, internal control over compliance and the schedule of expenditures of federal awards in accordance with OMB Circular A-133.

4.3 Redevelopment Agency audit shall include the following:

4.3.1 Independent auditor's report on the basic financial statements, including an "in-relation-to" opinion on supplemental information.

4.3.2 Independent auditor's report on internal control over financial reporting and on compliance (including the provisions contained in the *Guidelines for Compliance Audits of California Redevelopment Agencies*) and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.

4.4. Provide an independent accountant's report on applying agreed-upon procedures related to the County's calculation of its annual appropriations limit (and our dependent special districts) in accordance with Article XIII-B of the California Constitution. The agreed-upon procedures to be performed will include the following:

4.4.1 Determine that the annual appropriations limit was calculated in accordance with guidelines provided by the California County Accounting Standards and Procedures Committee and Article XIII-B; and

- 4.4.2 Determine that the annual appropriations limit was adopted by resolution of the County Board of Supervisors.
- 4.5. Flood Control District and Air Pollution Control District audit shall include the following:
 - 4.5.1 Independent auditor's report on the basic financial statements
 - 4.5.2 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- 4.6 First 5 Placer Children and Families Commission audit shall consist of the following:
 - 4.6.1 Independent auditor's report on the basic financial statements, including an "in-relation-to" opinion on supplemental information.
 - 4.6.2 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* and the California Children and Families First Act of 1998.
- 4.7 TART Enterprise Fund financial statement audit shall consist of the following:
 - 4.7.1 Independent auditor's report on the comparative financial statements.
 - 4.7.2 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* and the Transportation Development Act.
- 4.8 Western Placer Waste Management Authority financial statements shall consist of the following:
 - 4.8.1 Independent auditor's report on the comparative financial statements.
 - 4.8.2 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- 4.9 Golden Sierra Job Training Agency financial statements shall consist of the following:
 - 4.9.1 Independent auditor's report on the basic financial statements.
 - 4.9.2 Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements in accordance with *Government Auditing Standards*.
 - 4.9.3 Independent auditor's report on compliance with requirements applicable to each major program, internal control over compliance and the schedule of expenditures of federal awards in accordance with OMB Circular A-133.
- 4.10 The contractor shall prepare a standard Independent Treasurer's assertion that the investment requirements of California Government Code Article 6, Section 27130, et al and the Placer County Treasurer's Statement of Investment Policy have been complied with, for the funds on deposit in the Placer County Treasury for the year ending **December 31, 2009**.

- 4.11 Management letter prepared in accordance with SAS No. 114, which is to include any findings and recommendations regarding internal controls, including significant deficiencies and/or material weaknesses. A significant deficiency is a control deficiency, or combination of deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.

5.0 Audit Schedule

- 5.1 Immediately upon award of this contract, preliminary audit work should begin for the audit of the fiscal year ending June 30, 2009. Thereafter, the audit schedule will be determined by the Contractor and the Auditor-Controller's Office. The County anticipates that unadjusted trial balances for the CAFR for the fiscal year ending June 30, 2009 will be available August 15, 2009. The first draft of the County's fund financial statements will be completed by October 1, 2009.
- 5.2 The Contractor must provide annual entrance conferences, progress reporting and exit conferences. Scheduled meetings will be determined after the awarding of the contract. Entrance Conferences:
- 5.2.1 Entrance conference with Auditor-Controller, County Executive Officer, Audit Committee and Grand Jury foreman, if requested
- 5.2.2 Entrance conference with all key finance department personnel and department heads
- 5.2.3 The purpose of entrance conferences shall be to discuss prior audit problems and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for workspace and other needs of the Contractor.

6.0 Reporting Deadlines

The timetable for various reports, and the specific number of copies of reports required, shall be as indicated below. An unbound copy of each report shall accompany the bound reports as indicated below. Subsequent years' timetables shall be developed pursuant to this general timetable. All reports shall be printed on 20 lb 8 ½" x 11" standard paper, or folded to match that size, and shall be securely bound in a professional manner.

<u>Deliverable</u>	<u># of Bound Reports</u>	<u>Due Date</u>
Auditor's Report on the CAFR	1	December 15, 2009
Single Audit Report	50	February 28, 2010
Placer County Redevelopment Agency	25	October 31, 2009
Agreed-upon Procedures Report on Appropriation Limit	10	December 15, 2009
Placer County Flood Control and		

Water Conservation District and the Air Pollution Control District	25	December 31, 2009
First 5 Placer Children and Families Commission	25	September 30, 2009
Western Placer Waste	25	December 31, 2009
Golden Sierra Job Training Agency	25	February 28, 2010
TART Enterprise Fund	25	December 31, 2009
Report to Management	25	February 28, 2010
Independent Treasurer's Assertion	25	February 28, 2010

7.0 Billing of Fees

- 7.1 Compensation for the conduct of the work will be paid upon review and approval of invoices received from the Contractor by the Auditor-Controller's Office. Invoices must be substantiated with detailed itemization related to the specific project being billed (as identified in Section 3.0 of the RFP), actual dates of the billing period, total hours expended by classification of staff multiplied by the hourly billing rates as set forth in Section 10.2, Tab E.
- 7.2 Each invoice submitted, when approved by the Auditor-Controller's Office, will be paid at a rate of 90%. The remaining 10% retained will be paid upon submittal and approval of a final invoice after the associated report and management letter, if applicable, have been received and accepted by the County.

8.0 Other Requirements

- 8.1 The County intends to submit its CAFR to the Government Finance Officers Association of the United States and Canada (GFOA) for review and consideration for its Certificate of Achievement for Excellence in Financial Reporting (Certificate) program. The Contractor shall provide assistance, primarily in the form of a technical review, to the County in order to meet the requirements of that program. The County has received the Certificate for the past 7 consecutive years.
- 8.2 The Contractor shall provide, at no additional compensation from the County, such additional report schedules, exhibits or other information to any completed and filed audit report as may be required by a cognizant agency, grantor or administrative agency upon review of the Single Audit report.
- 8.3 All working papers and reports must be retained, at the Contractor's expense, for a minimum period of seven years, unless the Contractor is notified in writing by the County of the need to extend the retention period. The Contractor shall make working papers available upon request to the following parties or their designees during the retention period:
 - 8.3.1 Placer County Audit Committee
 - 8.3.2 Placer County Grand Jury
 - 8.3.3 Placer County Executive and/or Auditor-Controller's Office
 - 8.3.4 U.S. Government Accountability Office (GAO)
 - 8.3.5 Parties designated by federal or state agencies or by the County as part of an audit quality review process
 - 8.3.6 Auditor of agencies of which the County is a subrecipient of grant funds

8.3.7 Treasury Oversight Committee

- 8.4 Contractor shall respond to the reasonable inquiries of successor Contractor and allow successor Contractor to review working papers in accordance with SAS No. 84.
- 8.5 The contractor shall be an independent Contractor and must be licensed to practice by the State of California as a CPA.
- 8.6 The Contractor shall have no conflict of interest with regard to any other work performed by the firm on behalf of the County.
- 8.7 During the term of the proposed agreement, the Auditor-Controller may request that the Contractor perform additional audits or special reviews, not identified above. These may be added to the scope of work set forth in this RFP, by written addendum to the resulting contract, and result in additional compensation. Any such additional work agreed to between the County and the Contractor shall be performed at the same rates as set forth in the schedule of fees included in the proposal. However, the Auditor-Controller reserves the right to contract such additional audits to a firm other than the one selected by this RFP.
- 8.8 Contractor shall be required to attend all scheduled meetings with the County's audit committee and Grand Jury regarding the services to be performed under this RFP. The County's audit committee includes two representatives from the County Board of Supervisors and one member from the public. The Auditor-Controller and County Executive Officer serve on the audit committee as advisory members. The audit committee meets four times a year and the Grand Jury finance committee meets twice per year.
- 8.9 Contractor shall be required to provide bi-weekly status reports to the Auditor-Controller during the audit fieldwork period, summarizing the results and progress of the audit. Any significant audit findings and/or delays in obtaining information that require management attention or recommendations for immediate corrective action by departments shall be communicated by the Contractor in the bi-weekly status reports.
- 8.10 If conditions are discovered which lead to the belief that material errors, fraud, or abuse may have occurred, or if any other circumstances are encountered that require extended services, the contractor shall promptly advise the Treasury Oversight Committee if it is in regards to the TOC Compliance audit and the Auditor-Controller for all other audits. No extended services shall be performed unless authorized in a contractual agreement or in an amendment to the agreement entered as a result of this RFP.

9.0 County Support and Assistance

- 9.1 Preliminary to, and throughout the engagement, the County will make available support personnel to provide assistance for tasks such as identifying locations of required records and supporting information, providing client prepared supporting schedules, preparing confirmations and such other tasks that will serve to expedite the conduct of the audit as deemed reasonable and necessary by the County.
- 9.2 The Auditor-Controller's Office will prepare or oversee the preparation of the financial statements and related footnotes for the CAFR, Redevelopment Agency, Flood Control District, Air Pollution Control District, First 5 Commission, the Authority, the Agency and the TART Enterprise Fund. The Auditor-Controller's Office will also provide the Contractor with adjusted trial balances from the County's PAS financial accounting system.
- 9.3 The Auditor-Controller's Office, with cooperation from other County departments, will prepare and provide the contractor a draft of the schedule of expenditures of federal awards in connection with the Single Audit, including notes and supplemental schedules.

- 9.4 The County will provide reasonable office space, desks, tables, chairs, phones and access to fax and copy machines while the Contractor is performing the services under this RFP.
- 9.5 The Auditor-Controller's Office will coordinate with the Contractor to provide reasonable and necessary access to the County's PAS financial accounting system while the Contractor is conducting fieldwork.

10.0 Proposal Format Requirements

Each response to this RFP shall include the information described in this section. Failure to include all of the elements specified may be cause for rejection. Additional information may be provided, but should be succinct and relevant to the goals of this RFP. Excessive information will not be considered favorably.

The proposal should be bound or contained in a loose leaf binder. Document pages shall be 8-1/2 inches by 11 inches in size or shall be folded to that size. Use section dividers, tabbed in accordance with Section 10.2. All proposals shall contain the following elements, and in the order given:

10.1 Cover Letter with the following information:

- Title of this RFP
- Name and Mailing Address of Firm (include physical location if mailing address is a P.O. Box)
- Type of organization of firm (partnership, corporation, etc.)
- Contact person including telephone number, fax number, e-mail address, and physical mailing address;
- A statement that the submitting firm will perform the services as described in the Scope of Work.
- All proposals may be considered public information. Subsequent to award of this RFP, all or part of any proposal may be released to any person or firm who may request it. Therefore, proposers may request in their Cover Letter if any portion of their submittal should be treated as proprietary and not released as public information.
- The County reserves the right to make an award without further discussion of the Proposal with the Contractor. Therefore, the proposal should be submitted initially on the most favorable terms that the Contractor might propose, and must adhere to the following signatory requirements:

Signatory Requirements: In order to receive consideration, the Cover Letter must be signed by an officer empowered by the Consultant to sign such material and thereby commit the Consultant to the obligations contained in the RFP response. Further, the signing and submission of a response shall indicate the intention of the Consultant to adhere to the provisions described in this RFP and a commitment to enter into a binding contract. Submittals shall be signed by one of the following representatives:

- If the respondent is a partnership, submittal shall be signed in the firm name by a partner or the Attorney-In-Fact. If signed by the Attorney-In-Fact, there shall be attached to the proposal a Power-Of-Attorney evidencing authority to sign proposals, dated the same date as the proposal and executed by all partners of the firm.
- If the respondent is a corporation, the submittal shall have the correct corporate name thereon and the actual signature of the authorized officer of the corporation written (not typed) below the corporate name. The title of the office held by the person signing for the corporation shall appear below the signature of the officer.

- If the respondent is an individual doing business under a firm name, the submittal shall be signed in the name of the individual doing business under the proper firm name and style.

10.2 A comprehensive table of contents. The Table of Contents shall identify the information included in each of the following tabbed sections. The tabbed sections' contents shall be:

Tab A Organization Size, Structure and Resources:

Include a statement of whether the firm is local, national or international. Include the location of the office from which the majority of the work shall be completed, and the number of partners, directors, managers, supervisors, seniors and other professional staff employed at that office.

If the Contractor is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium must be separately identified, and the firm that is proposed to serve as the principal must be identified as such.

Describe the firm's computer capability, including the background(s) of personnel skilled in use of accounting software proposed for the audits.

Describe the results of the firm's most recent peer review. A copy of the peer review report must be attached as in the appendix to the proposal.

Tab B Auditing Experience:

Provide a description of recently performed County and local government audits and the firm's single audit experience. Provide at least three governmental references, including contact names and telephone numbers, and descriptions of the audit services provided. Expect that the County will contact your references.

Tab C Project Staff Qualifications:

Identify the personnel proposed to be assigned to work on the audit, including staff from other than the office indicated above. Indicate the name and position (partner, supervisor, etc.), and the minimum percentage of time that each individual is expected to work on the audit. Resumes for each person expected to be assigned to the audit must be included. (Include resumes as an appendix.) Staff proposed shall be the staff that is used unless prior agreement is obtained from the County.

Provide the names of the person(s) who shall be authorized during the contract to make representations on behalf of the Contractor, their title(s), address(es), and telephone numbers(s).

Provide a statement regarding the education and training program provided to, or required of, the staff identified for participation in the audit, particularly with reference to governmental accounting and auditing, governmental practices and procedures, and governmental affairs.

Tab D Project Approach and Plan of Work:

Address individually each of the following ten components as outlined in Section 3.0 of this RFP.

- CAFR – (annual audits)

- Single Audit – (annual audit)
- Redevelopment Agency - (annual audit)
- GANN Appropriations Limit – (annual review)
- Flood Control and Water Conservation District and Air Pollution Control District (biennial audits)
- First 5 Placer Children and Families Commission (annual audit)
- TART Enterprise Fund (annual audit)
- Western Placer Waste Management Authority (annual audit)
- Golden Sierra Job Training Agency (annual audit)
- TOC Investment Compliance Audit for calendar year (annual review)

Clearly describe the scope of services proposed to be provided and the method by which they will be provided, including all requirements set forth in this RFP.

Describe your management plan to ensure on-time delivery and compliance with all requirements of the RFP.

Identify risks associated with this project. For each risk, identify those activities which can be undertaken to reduce, mitigate or eliminate the risk. Identify associated responsibilities. Ensure that these activities are reflected in your project and management plans.

Tab E Cost Proposal:

State the total not to exceed cost for all requirements outlined in this RFP for Fiscal years ending June 30, 2009, 2010 and 2011. Also show the separate price for each fiscal year. State the estimated total work hours per year that underlie these costs.

State the maximum percentage(s) by which the FY 2011 not to exceed price above may increase over each of the two optional years of the potential extension contract(s), should the contract(s) be extended.

State the classification of staff to be assigned to each engagement, as identified in Section 3.0, and show each classification's rate per hour and the estimated hours to be incurred for each engagement by staff classification.

11.0 Proposal Submittal Instructions

- 11.1 One (1) original and five (5) copies of the proposal shall be received not later than the time and date indicated on the cover page of this RFP. Proposals must be submitted to the Administrative Services Department, Procurement Services Division, 2964 Richardson Drive, Auburn, CA 95603-2640. Faxed and/or emailed proposals shall not be accepted.
- 11.2 Late proposals shall not be accepted or considered; there shall be no mitigating circumstances. The County shall not be responsible for proposals delivered to a person or location other than that specified in this RFP.
- 11.3 All proposals shall be submitted in a sealed envelope or container, and clearly marked with the RFP number and the title "Examination of Annual Financial Statements", as well as the proposing firm's name and address.
- 11.4 All proposals, whether selected or rejected, shall become the property of the County.
- 11.5 All costs associated with proposal preparation shall be borne by the Proposers.

- 11.6 In any request or decision involving a proposal mistake, correction or withdrawal, Procurement Division staff will consult with County Counsel. Except as otherwise specified in Section 5100 of the Public Contract Code, correction or withdrawal of inadvertently erroneous proposals before or after proposal opening may be permitted only if such correction or withdrawal is not prejudicial to the interest of the County or fair competition.
- 11.7 Mistakes in proposals detected prior to proposal opening may be corrected or withdrawn by the Contractor with a written request received by the Procurement Division prior to the date and time designated for opening of proposals. The written request must be signed by the same person who signed the original proposal, and shall be sealed, time-stamped and deposited in the same manner as the original proposal. Oral, faxed, emailed or telegraphic corrections or withdrawals shall not be permitted.

12.0 Evaluation Procedure

- 12.1 This RFP is being conducted in accordance with the Placer County Purchasing Policy Manual. A copy of that manual is available for review at the Placer County Department of Administrative Services, Procurement Services Division, 2964 Richardson Drive, Auburn, CA 95603-2640 or at (530) 889-7776.
- 12.2 The Procurement Division will review all proposals received and make determinations relative to timeliness, signatures or other submission related issues of the proposal(s). A non-responsive submittal shall be eliminated from further consideration and cannot be recommended for an award of a contract.
- 12.3 After the responsiveness review, an Evaluation Committee composed of County staff and/or other qualified individuals will rate the responsive proposals based upon the weighted evaluation criteria contained in Section 13.0 of this RFP, establish a short list and conduct interviews if appropriate. The proposed project manager shall represent the firm during the interview process. Following interviews, the top ranked firm will be identified to the Auditor Controller. The Auditor Controller will negotiate a contract with the recommended proposer and will recommend award to the Board of Supervisors.
- 12.4 Independent boards of special districts not governed by the Placer County Board of Supervisors reserve the right to select a different audit firm than the one selected by the Evaluation Committee.
- 12.5 The County reserves the right to award a contract to the firm that presents the proposal, which, in the sole judgment of the County, is determined to be the most advantageous offer based on the Evaluation Criteria.

13.0 Evaluation Criteria

- 13.1 Proposals will be evaluated using the following criteria:

<u>Evaluation Criteria</u>	<u>Impact Points</u>
A. Organization size, structure and resources of firm (ref. Tab A)	10
B. Prior auditing experience (ref. Tab B)	25
Subcriteria:	
a. County and local government audits	0-15
b. Single Audit experience	0-10
C. Qualifications of staff to be assigned to audit. (Ref. Tab C)	15
Education, position in the firm and years and type of experience will be considered. Qualifications will be based	

on resumes/proposals submitted and interview(s), if applicable.

- D. Project approach and plan of work (Ref. Tab D). This shall be determined by the description of the audit and the time estimates to perform each section as set forth in the proposal and interview (if any). Subcriteria points are:
- a. Audit coverage and approach, for example, time allowed for field work, and composition and qualifications of engagement team. 0-15
 - b. Realistic time estimate for proposed audit 0-10
- E. Cost Proposal, including maximum increase for subsequent years for maximum potential cost to County (Ref Section 10.2, Tab E) 25

Total Evaluation Points: 100

- 13.2 Pursuant to existing County policy, a five percent (5%) preference may be granted to firms that reside within the County and respond to this RFP. Five percent will be added to the firm's total score for evaluation purposes. Firms must request this local vendor preference by submitting an Affidavit of Eligibility with their Proposal, or have one already on file with the Procurement Division. Criteria and affidavit forms are available via a "fax on demand" system by calling 530-889-7776, option 4, and entering your full fax number (including the "1" and your area code if different from 530), and following the instructions for faxing. The information and affidavit forms are also available on the County website at www.placer.ca.gov.

14.0 General Terms and Conditions

- 14.1 Standard Contract: Upon completion of the evaluation and recommendation for award, the selected firm will be required to execute a Consultant services agreement, a sample of which is included as Attachment A. Proposers are advised to carefully review the attached contract. Any proposed exceptions, alterations, or amendments shall be specified in your submittal, the nature of which may affect the evaluation of your submittal and the perceived ability to successfully award a contract to your firm/individual.
- 14.2 Independent Contractor: At all times the Consultant shall represent himself/herself to be an independent contractor offering such services to the general public and shall not represent himself/herself, or his/her employees, to be an employee of the County of Placer. Therefore, the Consultant shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold the County of Placer, its officers, agents, and employees, harmless from and against, any and all loss, cost (including attorney fees), and damage of any kind related to such matters.
- 14.3 Non-Appropriation: The County may terminate any resulting contract at the end of any fiscal year, June 30th, without further liability other than payment of debt incurred during such fiscal year, should funds not be appropriated by its governing body to continue services for which the contract was intended.
- 14.4 Conflict of Interest: The Consultant shall warrant that no official or employee of the County has an interest, has been employed or retained to solicit or aid in the procuring of the resulting contract, nor that any such person will be employed in the performance of such contract without immediate divulgence of such fact to the County.

- 14.5 Non-Collusion: Firms submitting proposals shall warrant that their offer is made without any previous understanding, agreement or connection with any person, firm or corporation submitting a separate proposal for the same project and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action. This condition shall not apply to proposals which are submitted by firms who have partnered with others to submit a cooperative proposal that clearly identifies a primary contractor and the associated sub-contractors.
- 14.6 Indemnification and Insurance Requirements: The County's standard indemnification and insurance requirements are provided in the sample contract, Attachment A.
- 14.7 Protests and Appeals: In accordance with Section 10.0 of the Placer County Purchasing Policy Manual, any actual or prospective proposer, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may appeal to the Director of Administrative Services. The protest shall be submitted in writing to the Director of Administrative Services within seven (7) calendar days after such aggrieved person or company knows, or should have known, of the facts giving rise thereto.

SAMPLE CONTRACT

Administering Agency: Placer County Auditor Controller

Contract No. _____

Contract Description: Examination of Annual Financial Statements

CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT is made at Auburn, California, as of _____, 20____, by and between the County of Placer, ("County"), and _____ ("Contractor"), who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide the services described in Exhibit A. Contractor shall provide said services at the time, place, and in the manner specified in Exhibit A.
2. Payment. County shall pay Consultant for services rendered pursuant to this Agreement at the time and in the amount set forth in Exhibit B. The payment specified in Exhibit B shall be the only payment made to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all billings for said services to County in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures which Consultant uses for billing clients similar to County. The amount of the contract shall not exceed _____ Dollars (\$ _____).
3. Facilities, Equipment and Other Materials, and Obligations of County. Unless otherwise specified in Exhibit C, Contractor shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.
4. Exhibits. All exhibits referred to herein will be attached hereto and by this reference incorporated herein.
5. Time for Performance. Time is of the essence. Failure of Contractor to perform any services within the time limits set forth in Exhibit A shall constitute material breach of this contract.
6. Independent Contractor. At all times during the term of this Agreement, Contractor shall be an independent Contractor and shall not be an employee of the County. County shall have the right to control Contractor only insofar as the results of Contractor's services rendered pursuant to this Agreement. County shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement.
7. Licenses, Permits, Etc. Contractor represents and warrants to County that it has all licenses, permits, qualifications, and approvals of whatsoever nature, which are legally required for Contractor to practice its profession. Contractor represents and warrants to County that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Contractor to practice its profession at the time the services are performed.
8. Time. Contractor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Contractor's obligations pursuant to

SAMPLE CONTRACT

this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

9. Hold Harmless And Indemnification Agreement. At all times during the performance of this agreement, Contractor agrees to protect, defend, and indemnify County in accordance with the provisions contained in Exhibit D.
10. Insurance. Contractor shall file with County concurrently herewith a Certificate of Insurance, in companies acceptable to County, with a Best's Rating of no less than A:VII, for the coverage shown in Exhibit D. All costs of complying with these insurance requirements shall be included in Contractor's fee(s). These costs shall not be considered a "reimbursable" expense under any circumstances.
11. Contractor Not Agent. Except as County may specify in writing Contractor shall have no authority, express or implied, to act on behalf of County in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied pursuant to this Agreement to Bind County to any obligation whatsoever.
12. Assignment Prohibited. Contractor may assign its rights and obligations under this Agreement only upon the prior written approval of County, said approval to be in the sole discretion of County.
13. Personnel.
 - A. Contractor shall assign only competent personnel to perform services pursuant to this Agreement. In the event that County, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Contractor to perform services pursuant to this Agreement, including those members of the Project Team as explained below, Contractor shall remove any such person immediately upon receiving notice from County of the desire of County for removal of such person or persons.
 - B. Notwithstanding the foregoing, if specific persons are designated as the "Project Team" in Exhibit A, Contractor agrees to perform the work under this agreement with those individuals identified. Reassignment or substitution of individuals or subcontractors named in the Project Team by Contractor without the prior written consent of County shall be grounds for cancellation of the agreement by County, and payment shall be made pursuant to Section 15 (Termination) of this Agreement only for that work performed by Project Team members.
14. Standard of Performance. Contractor shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged in the geographical area in which Contractor practices its profession. All products of whatsoever nature which Contractor delivers to County pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Contractor's profession.
15. Termination.
 - A. County shall have the right to terminate this Agreement at any time by giving notice in writing of such termination to Contractor. In the event County shall give notice of termination, Contractor shall immediately cease rendering service upon receipt of such written notice, pursuant to this Agreement. In the event County shall terminate this Agreement:
 - 1) Contractor shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, Photostatting, photographing, and every other means of recording

SAMPLE CONTRACT

upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

- 2) County shall have full ownership and control of all such writings delivered by Contractor pursuant to this Agreement.
- 3) County shall pay Contractor the reasonable value of services rendered by Contractor to the date of termination pursuant to this Agreement not to exceed the amount documented by Contractor and approved by County as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the agreement specified in Exhibit B, and further provided, however, County shall not in any manner be liable for lost profits which might have been made by Contractor had Contractor completed the services required by this Agreement. In this regard, Contractor shall furnish to County such financial information as in the judgment of the County is necessary to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and does not affect any right or remedy, which County may have in law or equity.

B. Contractor may terminate its services under this Agreement upon thirty- (30) working days' advance written notice to the County.

16. Non-Discrimination. Contractor shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
17. Records. Contractor shall maintain, at all times, complete detailed records with regard to work performed under this agreement in a form acceptable to County, and County shall have the right to inspect such records at any reasonable time. Notwithstanding any other terms of this agreement, no payments shall be made to Contractor until County is satisfied that work of such value has been rendered pursuant to this agreement. However, County shall not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.
18. Ownership of Information. All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become the property of County, and Contractor agrees to deliver reproducible copies of such documents to County on completion of the services hereunder. The County agrees to indemnify and hold Contractor harmless from any claim arising out of reuse of the information for other than this project.
18. Waiver. One or more waivers by one party of any major or minor breach or default of any provision, term, condition, or covenant of this Agreement shall not operate as a waiver of any subsequent breach or default by the other party.
19. Conflict of Interest. Contractor certifies that no official or employee of the County, nor any business entity in which an official of the County has an interest, has been employed or retained to solicit or aid in the procuring of this agreement. In addition, Contractor agrees that no such person will be employed in the performance of this agreement without immediately notifying the County.
20. Entirety of Agreement. This Agreement contains the entire agreement of County and Contractor with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer or agent of any party, which is not contained in this Agreement, shall be binding or valid.

SAMPLE CONTRACT

21. Alteration. No waiver, alteration, modification, or termination of this Agreement shall be valid unless made in writing and signed by all parties, except as expressly provided in Section 15, Termination.
22. Governing Law. This Agreement is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. Any legal proceedings regarding this agreement initially shall be brought under the jurisdiction of the Superior Court of the County of Placer, State of California. Each party waives any federal court removal and/or original jurisdiction rights it may have.
23. Notification. Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the parties as follows:

COUNTY OF PLACER:

CONSULTANT:

Placer County Auditor-Controller

Attn: Andrew Sisk
2970 Richardson Dr.
Auburn, CA 95603

Attn:

Phone: 530-889-4152

Phone:

Fax: 530-889-4163

Fax:

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

Executed as of the day first above stated:

COUNTY OF PLACER

By: _____

Printed Name/Title: _____

Approved As to Form – County Counsel:

By: R. Sandman 2/6/09

CONSULTANT - _____ *

By: _____

Name: _____

Title: President/Vice President

By: _____

Name: _____

Title: Secretary

**If Consultant is a corporation, this agreement must be signed by two corporate officers, one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer or other officers to bind the corporation.*

Exhibits

- A. Scope of Work
- B. Payment for Services Rendered
- C. Facilities, Equipment and Other Obligations of County
- D. Hold Harmless Agreement and Insurance Requirements

EXHIBIT A
SCOPE OF SERVICES

Request for Proposals No. 9881 and the Consultant's response to RFP 9881 are hereby incorporated as the scope of work for this contract. In the case of conflict between these two documents, the RFP shall prevail.

EXHIBIT B

PAYMENT FOR SERVICES RENDERED

The total three-year contract shall not exceed \$_____.

Pricing for all reports per individual fiscal year shall not exceed:

FY 2009: \$_____ FY 2010: \$_____ FY 2011: \$_____

Compensation for the conduct of the work will be paid upon review and approval of invoices received from the Contractor by the Auditor-Controller's Office. Invoices must be substantiated with detailed itemization related to the specific project being billed (as identified in Section 3.0 of the RFP), actual dates of the billing period, total hours expended by classification of staff multiplied by the hourly billing rates as set forth in Section 10.2, Tab E.

Each invoice submitted, when approved by the Auditor-Controller's Office, will be paid at a rate of 90%. The remaining 10% retained will be paid upon submittal and approval of a final invoice after the associated report and management letter, if applicable, have been received and accepted by the County.

Invoices shall be submitted to County in a form and with sufficient detail as required by County. Work performed by Consultant will be subject to final acceptance by the County project manager(s).

Submit all invoices to: Placer County Auditor-Controller
Attn: _____
2970 Richardson Blvd.
Auburn, CA 95603

The County shall make payment to Contractor within thirty (30) days after a correct invoice is received and approved by County.

EXHIBIT C

FACILITIES, EQUIPMENT, AND OTHER MATERIALS, AND OBLIGATIONS OF COUNTY

Preliminary to, and throughout the engagement, the County will make available support personnel to provide assistance for tasks such as identifying locations of required records and supporting information, providing client prepared supporting schedules, preparing confirmations and such other tasks that will serve to expedite the conduct of the audit as deemed reasonable and necessary by the County.

The Auditor-Controller's Office will prepare or oversee the preparation of the financial statements and related footnotes for the CAFR, Redevelopment Agency, Flood Control District, Air Pollution Control District, First 5 Commission, the Authority, the Agency and the TART Enterprise Fund. The Auditor-Controller's Office will also provide the Contractor with adjusted trial balances from the County's PAS financial accounting system.

The Auditor-Controller's Office, with cooperation from other County departments, will prepare and provide the contractor a draft of the schedule of expenditures of federal awards in connection with the Single Audit, including notes and supplemental schedules.

The County will provide reasonable office space, desks, tables, chairs, phones and access to fax and copy machines while the Contractor is performing the services under this RFP.

The Auditor-Controller's Office will coordinate with the Contractor to provide reasonable and necessary access to the County's PAS financial accounting system while the Contractor is conducting fieldwork.

EXHIBIT D

HOLD HARMLESS AGREEMENT AND INSURANCE REQUIREMENTS

1. HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

The CONSULTANT hereby agrees to protect, defend, indemnify, and hold PLACER COUNTY free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by PLACER COUNTY arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the COUNTY) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. CONSULTANT agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the CONSULTANT. CONSULTANT also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against CONSULTANT or the COUNTY or to enlarge in any way the CONSULTANT'S liability but is intended solely to provide for indemnification of PLACER COUNTY from liability for damages or injuries to third persons or property arising from CONSULTANT'S performance pursuant to this contract or agreement.

As used above, the term PLACER COUNTY means Placer County or its officers, agents, employees, and volunteers.

2. INSURANCE:

CONSULTANT shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A:VII showing.

3. WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE:

- A. Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to CONSULTANT'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Worker's Compensation policy shall be endorsed with the following specific language:

Cancellation Notice - "This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the County of Placer."

- B. CONSULTANT shall require all SUBCONTRACTORS to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed forthwith with the County upon demand.
- C. If CONSULTANT is a sole proprietor and/or has no employees, Worker's Compensation Insurance is not required. However, CONSULTANT shall provide a written statement attesting to this fact, and shall further agree that they have no rights, entitlements or claim against COUNTY for any type of employment benefits or workers' compensation or other programs afforded to COUNTY employees.

4. GENERAL LIABILITY INSURANCE:

- A. Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of CONSULTANT, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

- (1) Contractual liability insuring the obligations assumed by CONSULTANT in this Agreement.

- B. One of the following forms is required:
- (1) Comprehensive General Liability;
 - (2) Commercial General Liability (Occurrence); or
 - (3) Commercial General Liability (Claims Made).
- C. If CONSULTANT carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:
- One million dollars (\$1,000,000) each occurrence
→One million dollars (\$1,000,000) aggregate
- D. If CONSULTANT carries a Commercial General Liability (Occurrence) policy:
- (1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
→One million dollars (\$1,000,000) for Products-Completed Operations
→One million dollars (\$1,000,000) General Aggregate
 - (2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).
- E. Special Claims Made Policy Form Provisions:
- CONSULTANT shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:
- (1) The limits of liability shall not be less than:

→One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
→One million dollars (\$1,000,000) aggregate for Products Completed Operations
→One million dollars (\$1,000,000) General Aggregate
 - (2) The insurance coverage provided by CONSULTANT shall contain language providing coverage up to six (6) months following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

5. ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language (use most current version of "Additional Insured – Owners, Lessees, or Contractors, ISO Form No. CG 20 09 11 85 or CG 20 10 11 85):

- A. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- B. "The insurance provided by the Consultant, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- C. "This policy shall not be canceled or materially changed without first giving thirty (30) days' prior written notice to the County of Placer."

6. AUTOMOBILE LIABILITY INSURANCE:

Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

7. PROFESSIONAL LIABILITY INSURANCE (ERRORS & OMISSIONS):

Professional Liability Insurance for Errors and Omissions coverage in the amount of not less than one million dollars \$1,000,000

If Consultant sub-contracts in support of Consultant's work provided for in the agreement, Professional Liability Insurance for Errors shall be provided by the sub contractor in an amount not less than one million dollars (\$1,000,000) in aggregate.

The insurance coverage provided by the consultant shall contain language providing coverage up to six (6) months following completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.