



CITY OF OXNARD

FINANCE DEPARTMENT

REQUEST FOR PROPOSAL (RFP)

FOR

FINANCIAL AUDIT SERVICES

**PROPOSALS MAY BE MAILED
OR DELIVERED IN PERSON
TO THE PURCHASING OFFICE AT
300 WEST THIRD ST., SUITE 202, OXNARD, CA 93030**

**PROPOSALS MUST BE RECEIVED BY 4:00 P.M.
ON THE DATE INDICATED BELOW:**

MARCH 18, 2010

**CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL AUDIT SERVICES TECHNICAL PROPOSAL**

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**CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL AUDIT SERVICES TECHNICAL PROPOSAL**

INSTRUCTIONS TO PROPOSERS

RECEIPT AND OPENING OF PROPOSALS

The City of Oxnard invites qualified firms to submit proposals to provide financial statement audits for City of Oxnard Finance Department located at 300 West Third Street, Oxnard, CA 93030. Proposals will be received in the Purchasing Office until **4:00 p.m. on Thursday, March 18, 2010.**

The envelope containing the proposals (1 original & three copies) must be sealed and addressed to City of Oxnard Purchasing Office, 300 W. Third St., Suite 202, Oxnard, California 93030, Attention: Heather Mooney, Buyer. The envelope must show the proposer's name and address.

Proposals will not be opened publicly. Any proposal received after the established closing date and time will not be accepted. Proposal results will be available after proposals have been reviewed.

Proposals may be withdrawn upon written request at any time prior to the established closing date and time. The proposer or the proposer's authorized agent must sign such request.

EXAMINATION OF REQUIREMENTS

Each proposer must carefully examine the requirements contained herein. Each proposer shall be thoroughly familiar with all requirements contained herein. The failure or omission to examine any form or document shall in no way relieve a proposer from any obligation in respect to this proposal as submitted. Any misinterpretation of the requirements is solely that of the proposer's.

QUALIFICATIONS SUBMISSION REQUIREMENTS

Each submittal shall be **in its own sealed envelope** and labeled as "Proposal/Statement of Qualifications".

Statements of Qualifications should be as concise as possible, at a minimum shall contain the information requested in Exhibit A Section VI (printed on one side of the sheet).

Additional materials, including detailed resumes and brochures may be submitted as an attached appendix to the proposal. Brochures and marketing materials not directly related to specific experience with the proposed scope of work shall not be submitted as part of this proposal.

In addition, any material that will add to the persuasiveness of your proposal may be included.

If you are not willing to accept the requirements and conditions of this request for proposal, identify in your proposal all requirements and conditions you do not accept. Failure to identify any such requirements and conditions will be deemed acceptance of all requirements and conditions.

Your proposal must be signed and dated in ink by the owner, partner, or corporate officer of the company, or by an agent duly authorized to represent the contractor under this proposal. Include the name and position held within contractor's organization.

ADDENDA AND INTERPRETATION

No interpretation of the meaning of the specifications or other proposal documents will be made to any proposer orally. Proposers are not to contact any individual other than the Chief Financial Officer. Every request for such interpretation must be in writing and addressed to: James Cameron, Chief Financial Officer, City of Oxnard, 300 W. Third St., Suite 202, Oxnard, CA 93030 and, to be given consideration, must be received at least seven (7) days prior to the date fixed for the closing of bids. Requests for interpretation may be faxed to the Chief Financial Officer at (805) 385-7466 or by e-mail at jim.cameron@ci.oxnard.ca.us. Any and all such interpretations and any supplemental instructions will be in the form of written addenda which, if issued, will be faxed and mailed by certified mail with return receipt requested to all known prospective proposers (at the respective addresses furnished for such purposes) no later than seven (7) calendar days prior to the date fixed for the closing of proposals. Addenda required later than seven (7) calendar days prior to the proposal closing date may cause a postponement in the proposal closing date. Failure of any proposer to receive any such addendum or interpretation shall not relieve such proposer from any obligation under this proposal as submitted. All addenda so issued shall become part of the specifications and contract documents.

AWARD OF CONTRACT

The award of the contract will be made to a responsive and responsible proposer whose proposal best meets the needs of the City. The successful proposer will enter into a contract with the City incorporating all prescribed requirements and conditions of this request for proposal. If the successful proposer refuses or fails to execute the contract, the City may consider the next most qualified proposer. The City shall be the sole judge as to the successful proposer.

The City reserves the right to reject any or all responses to this Request for Proposal ("RFP") and to waive any informality or irregularity in this RFP or in responses, to negotiate with all qualified sources, or to cancel, in part or in its entirety, this RFP, in the best interest of the City. The City reserves the right to request more information for clarification or due to omission of information. Proposers may be asked to make an oral presentation as part of the evaluation process. This RFP does not commit the City to award a contract, or to procure or contract for services or goods.

Before award, proposers may be required to furnish evidence of capability, equipment, and financial resources to adequately perform the job. The proposals of proposers found not to be qualified may be rejected.

EXECUTION OF CONTRACT

The City will mail a Notice of Award of Contract, enclosing the contract forms to the successful proposer. The contract shall be signed by the successful proposer and returned with a copy of the vendor's certificate of insurance within seven calendar days after the proposer receives the Notice of Award of Contract.

**CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL AUDIT SERVICES TECHNICAL PROPOSAL**

GENERAL TERMS AND CONDITIONS

The following “General Terms and Conditions” shall be applicable to any contract or agreement entered into as a result of this proposal. The terms “proposer,” “contractor,” and “firm” may be used interchangeably in this solicitation and shall refer exclusively to the person, company or corporation with whom the City enters into a contract as a result of this solicitation.

1. All work performed shall be completed in a competent manner according to standard practices of the industry. All persons engaged in the work, including subcontractors, will be considered as employees of the contractor. The contractor will be held responsible for their work. The City will deal directly with and make all payments to the prime contractor.
2. The City may make such investigations as necessary to determine the ability of the contractor to perform the services as required. The City reserves the right to reject any proposal if the evidence submitted by, or investigation of, such contractor fails to satisfy the City that the contractor is qualified to carry out the obligations of the contract.
3. The contractor shall continuously maintain adequate protection of all his work from damage and shall protect the City’s property from any and all injury or loss arising in connection with any contract entered into hereunder. The contractor shall take all necessary precaution for the safety of employees on the job and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to the premises where the work is being performed.
4. The contractor shall comply with all applicable federal, state and local laws, ordinances, regulations and codes and shall obtain and maintain throughout the term of the contract, all required permits, certificates and licenses, including a **City of Oxnard business license**.
5. The contractor shall be an independent contractor in performing services for the City as part of any contract entered into as a result of this bid. Contractor and contractor’s agents, employees, subcontractors and other persons acting on the contractor’s behalf are not employees of the City.
6. Except as the City may specify in writing, contractor and its agents, employees and subcontractors shall have no authority, expressed or implied, to act on behalf of City in any capacity as agents or otherwise to bind City to any obligation whatsoever;
7. The contractor agrees that all persons employed by contractor shall be treated equally by contractor without regard to or because of race, color, religion, ancestry, national origin,

handicap, sex, marital status, or age and in compliance with all anti-discrimination laws of the United States of America, the State of California, and the City.

8. The contractor agrees to indemnify, hold harmless and defend the City, its City Council, and each member thereof, and every officer, employee, representative or agent of the City, from any liability, claims, demand, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly out of, pertain to, or relate to negligence, recklessness, or willful misconduct from any acts or omissions on contractor related to the agreement as performed by the contractor or its agents, employees, subcontractor, or other persons acting on contractor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence or passive negligence.

9. The contractor shall obtain and maintain throughout the term of the contract, insurance coverages, with the City as additional insured, as specified in Exhibit INS-A.

10. City may terminate contract at any time, with or without cause, by giving notice to contractor. Such termination shall be effective ten calendar days from the date of delivery or mailing of such notice.

11. In the event of any dispute with regard to the provisions of any contract entered into hereunder, the dispute may be submitted to arbitration upon mutual agreement of the parties, under such procedures as parties may agree upon, or, if the parties cannot agree, then under the applicable rules of the American Arbitration Association.

12. City agrees to pay contractor upon satisfactory completion of services provided and upon submission to City of any invoice for said services performed. City shall pay contractor within 30 days of receipt and acceptance of invoice.

**CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL AUDIT SERVICES TECHNICAL PROPOSAL**

SCOPE OF SERVICES

I. INTRODUCTION

A. General Information

The City of Oxnard (City) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2010, 2011 and 2012, with the option of two one year extensions for a maximum of five (5) fiscal years. These audits are to be performed in accordance with the provisions included in this request for proposal.

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

There is not expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

B. Term of Engagement

A three (3) year contract is contemplated with the option of two one year extensions, subject to the annual review and recommendation of the Finance Department, the satisfactory negotiation of terms and the annual availability of an appropriation.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

The auditor will provide services related to the audit of the City's basic financial statements and its component units, Community Development Commission (CDC) and City of Oxnard Financing Authority.

The auditor will provide services related to the audit of High Tide and Green Grass financial statements.

The auditor will provide services related to the audit of Riverpark Joint Power Authority's financial statements.

The auditor will provide services related to the audit of the City's Measure "O" funds.

The auditor will also perform audit procedures with respect to the City's major federal programs in accordance with the provisions of OMB Circular A-133.

The financial and compliance audit will involve all the City's funds and accounts. The auditor is required to analyze and apply audit procedures to the supplementary information in order to comply with reporting requirements as prescribed by applicable regulatory specifications.

Conduct exit conference with City's representatives.

B. Auditing Standards

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*, the provisions of the Single Audit Act of 1996 and the provisions of *U.S Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments*.

C. Special Considerations

The City will send its comprehensive annual financial report to the Government Finance Officers Association of the United State and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the City to meet the requirements of this program.

The City has determined that the United States Department of Housing and Urban Development (HUD) will function as the cognizant agency in accordance with the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments*.

The schedule of federal financial assistance and related auditor's report, as well as the reports on the internal controls and compliance are not to be included in the comprehensive and annual financial report, but are to be issued separately.

D. Working Paper Retention and access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the City of the need to extend the retention period.

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

E. Timing, Location, and Conduct of Audit Work

The following conditions shall apply:

1. The City, expects to receive prior to June 1st of each year, a list of schedules to be prepared and other items required for the audit.
2. Pre-closing, interim, tests and procedures shall be conducted at a mutually agreeable time.
3. The audit will be conducted on City premises. The City will provide space deemed adequate by the auditor to efficiently conduct the audit.
4. Timely report completion and an exit conference are required.
5. Prior to submission of the completed reports, the auditor will be required to review a draft of the proposed report and management letter with the City's staff.
6. The financial audit reports must be submitted to the City no later than November 15th of each year.

III. DESCRIPTION OF THE GOVERNMENT

A. Principal Contact

The auditor's principal contact with the City will be the Chief Financial Officer, who will coordinate the assistance to be provided by the City to the auditor.

B. Background Information

The City is a General Law City of the State of California with a population of 197,067. The City provides a full range of municipal services, including police and fire protection. The City operates municipal water and wastewater treatment systems, refuse collection and a solid waste transfer and recycling facility, and a municipal golf course. In addition, the City oversees the Performing Arts and Convention Center. In November 2008, the voters approved additional half-cent sales tax "Measure O". The City's general fund budget is approximately \$151,829,825 and the Enterprise budget is approximately \$86,334,839.

The City uses the modified accrual basis of accounting. The City utilizes the Sungard financial software package.

IV. TIME REQUIREMENTS

A. Proposal Calendar

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

Request for proposal issued	February 22, 2010
Due date for proposal	March 18, 2010
Oral Presentations	April 26, 2010

B. Notification and Contract Dates

Selected firm notified	May 04, 2010
Contract date	June 1, 2010

C. Date Audit May Commence

The City will have records ready for audit and all Management personnel available to meet with the firms' personnel as of August 31, 2010.

D. Schedule for the 2009-2010 Fiscal Year Audit

Each of the following should be completed by the auditor no later than the dates indicated:

1. Interim Work

The auditor shall complete interim work by June 30, 2010.

2. Detailed Audit Plan

The Auditor shall provide City by July 1st both a detailed audit plan and a list of all schedules to be prepared by the City.

3. Fieldwork

The auditor shall complete all field work by October 15, 2010.

4. Draft Reports

The auditor shall have drafts of the audit report(s) and recommendations to the management available for review by the Chief Financial Officer by October 1, 2010.

E. Entrance Conferences, Progress Reporting and Exit Conferences

At a minimum, the following conferences should be held by the dates indicated on the schedule:

	<u>Week of</u>
Entrance conference with the Chief Financial Officer and all key Finance Department personnel.	June 14, 2010
Progress conference with the Chief Financial Officer	August 16, 2010
Exit conference with the Chief Financial Officer	October 4, 2010

F. Date Final Report is Due

The Finance Department shall prepare draft financial statements, notes and all required supplementary schedules and statistical data by November 1, 2010. The auditor shall provide all recommendations, revisions, and suggestions for improvement to the Chief Financial Officer by November 10, 2010. A revised report, including (a) final auditor's report(s) shall be delivered to the Chief Financial Officer by November 15, 2010.

The Finance Department will complete the review of the draft report as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the auditor shall be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the Chief Financial Officer, within five (5) working days. It is anticipated that this process will be completed and the final report delivered by November 15, 2010.

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

A. Finance Department Responsibility

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City. The staff of City can prepare the statements and required schedules during the course of the audit. The City's Financial Report preparation, editing, and printing shall be the responsibility of the Finance Department.

B. Information Services (IS) Assistance

IS personnel will be available to provide systems documentation and explanations. The Auditor will be provided computer time and the use of the City's computer hardware and software.

C. Work Area, Telephones, Photocopying, and FAX Machines

The City will provide the Auditor with reasonable workspace, desks, and chairs. The Auditor will also be provided with access to telephone lines, photocopying facilities, and FAX machines.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

James Cameron, Chief Financial Officer
300 West Third Street
Oxnard, CA 93030
(805) 385-7475

CONTACT WITH PERSONNEL OF THE CITY OF OXNARD OTHER THAN THE CHIEF FINANCIAL OFFICER, REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposals

The following material is to be received by 4 p.m., March 18, 2010 for a proposing firm to be considered:

- a. An original copy (so marked) of a Technical Proposal and three (3) copies to include the following:

(1) Title Page

Title page showing the request for proposals subject; the firm's name; the name, address, and telephone number of the contact person; and the date of the proposal.

(2) Table of Contents

(3) Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform an engagement, and a statement that the proposal is a firm and irrevocable offer for five years.

(4) Detailed Proposal

The detailed proposal shall follow the order set forth in Section VI, B of this request for proposals.

- b. Proposers shall send the completed proposal to the following address:

Purchasing and Contracting Office
300 West Third Street
Oxnard, CA 93030

- c. Proposal Withdrawal and Opening

A proposer may withdraw a proposal without prejudice prior to the time specified for opening by submitting a written request to the Chief Financial Officer for is withdrawal, in which event the proposal will be returned to the proposer unopened. No proposal received after the time specified on at any place other than that stated in the "Notice Inviting Bids/Requesting Proposals" will be considered.

B. Technical Proposal

1. General Requirements

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

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the request for proposals (excluding cost information, which should only be included in a sealed dollar cost bid if invited to make an oral presentation). The Proposal should be prepared simply and economically, providing a straightforward, concise description

of the proposer's capabilities to satisfy the requirements of the request for proposal. While additional data may be presented, the following subjects, items No. 2 through 10, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

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

The firm also should provide an affirmative statement that is independent of all of the component units of the City as defined by those same standards.

The firm should also list and describe the firm's or proposed subcontractors' professional relationships involving the City or any of its agencies, component units or oversight units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in California

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

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in their engagement on a full-time basis and the number of nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific governmental engagements.

The firm shall also 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

firm 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.

5. Partner, Supervisory and Staff Qualifications and Experience

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

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

The proposer should identify the extent to which staff to be assigned to the audit reflects the City's commitment to Affirmative Action.

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

Consultants and firm specialists mentioned in response to their request for proposal can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.

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

6. Prior Engagements with the City of Oxnard

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the City by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposal. The engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as City's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of EDP software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the City's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from the City.

10. Report Format

The proposal should include sample formats for required reports.

VII. EVALUATION PROCEDURES

A. Review of Proposals

The City will use a point formula during the review process to score proposals. Each member will first score each technical proposal by each of the criteria described in Section VII B below. The full members will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. The top firms shall be asked to come to make an oral presentation.

The City reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for technical explanations. The following represent the principal selection criteria which will be considered during the evaluation process.

I. Mandatory Elements

- a. The audit firm is independent and licensed to practice in California.
- b. The firm's professional personnel have received the required continuing professional education with the preceding two years in accordance with the Government Auditing Standards.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
- d. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- e. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

11. Technical Quality

- a. Expertise and Experience

- (1) The firm's past experience and performance on comparable governmental engagements.
- (2) 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.
- (3) The firm's experience with GASB statement implementation, CAFR award program, checklist review, arbitrage rebate calculation, tax-related issues and debt issuance. The firm's experience with additional state and federal audits, such as single audit and redevelopment agencies.

b. Audit Approach

- (1) Adequacy of proposed staffing plan for various segments of the engagements.
- (2) Adequacy of sampling techniques.
- (3) Adequacy of analytical procedures.

C. Oral Presentations

During the evaluation process, the City may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the City may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

Firms requested to make an oral presentation shall be asked to provide one sealed copy of a Statement of Compensation that contains all pricing information relative to performing the audit engagement as described in this request for proposal, with "Statement of Compensation," and project name clearly shown on the front of the envelope. The total all-inclusive maximum price for the fiscal years 2009-2010 as well as estimated price for fiscal years 2010-2011 and 2011-2012 is to contain all direct and indirect costs including all out-of-pocket expenses. Out-of-pocket expenses firm personnel will be reimbursed at the rates used by the City for its employees. All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

D. Final Selection

It is anticipated that a firm will be selected by May 4, 2010.

Following notification of the firm selected, it is expected a contract will be executed between both parties by June 1, 2010.

E. Contract Award and Execution

1. Proposal Retention and Award

The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations as the interest of the City may require.

2. Competency and Responsibility of Proposer

The City reserves full discretion to determine the competence and responsibility, professionally and/or financially, of proposers. Proposers will provide, in a timely manner, any and all information that the City deems necessary to make such a decision.

G. Contract Performance

1. Work Delays

Should the Auditor be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act, or omission of the City, or by strikes, fire, earthquake, or any other Act of God, or by the inability to obtain materials, equipment, or labor due to federal government restrictions arising out of defense or war programs, then the time of completion may, at the City's sole operation be extended for such periods as may be agreed upon by the City and Auditor. In the event that there is insufficient time to grant such extensions prior to the completion date of the contract, the City may, at the time of acceptance of the work, waive liquidated damages which may have accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay, and making a finding as to the causes of same.

2. Audit

The City will have the option of inspecting and/or auditing all records and other written materials used by the Auditor in preparing its invoices to the City as a condition precedent to any payment to Auditor.

3. Interest of Auditor

The Auditor covenants that it presently has no interest, and will not acquire any interest, direct, indirect or otherwise, which would conflict in any manner or degree with the performance of the work hereunder. The Auditor further covenants that, in the performance of this work, no subcontractor or person having such an interest will be employed. The Auditor certifies that no one who has or will have any financial

interest in performing this work is an officer or employee of the City. It is hereby expressly agreed that, in the performance of the work hereunder, the Auditor will at all times be deemed an independent contractor and not an agent or employee of the City.

4. Contract Assignment

The auditor will not assign, transfer, convey, or otherwise dispose of the contract, or its right, title, or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2009-10 FINANCIAL STATEMENTS**

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal				_____
Total for services described in Section II of the RFP (Detail on subsequent pages)				_____
Out-of pocket expenses: Meals and lodging				_____
Transportation				_____
Other (specify): _____				_____
Total all-inclusive maximum price for 2009-2010				_____

NOTE: The rate quoted should **not** be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2009-10 FINANCIAL STATEMENTS:
COMBINING SCHEDULE – ALL SERVICES
DESCRIBED IN RFP SECTION II**

Nature of Services to be Provided	Total Price	Schedule
City's financial audit services		
Community Development Commission audit services		
Single audit services		
High Tide Green Grass audit services		
Riverpark Joint Power Authority audit services		
Measure "O"		

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2009-10 FINANCIAL STATEMENTS:
SUPPORTING SCHEDULE FOR (NAME OF SERVICE)**

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal				_____
Out-of pocket expenses: Meals and lodging				_____
Transportation				_____
Other (specify): _____				_____
Total Price for Auditing Services				_____

NOTE: The rate quoted should **not** be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

STATEMENT OF PROPOSER'S QUALIFICATIONS AND REFERENCES

The proposer is required to state the proposer's financial ability and a general description of similar work performed.

Required Qualifications: Proposer must have satisfactorily completed at least three Southern California municipal projects in the last five years of comparable size to the scope of this project.

Number of years engaged in providing the work included within the scope of the specifications under the present business name: _____.

List and describe fully the last three contracts performed by your firm which demonstrate your ability to complete the work included within the scope of the specifications. Attach additional pages if required. The City reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

1.1 Reference No. 1

Customer Name: _____
Contact Individual: _____ Phone No. _____
Address: _____
Contract Amount: _____ Year: _____
Description of work done: _____

1.2 Reference No. 2

Customer Name: _____
Contact Individual: _____ Phone No. _____
Address: _____
Contract Amount: _____ Year: _____
Description of work done: _____

1.3 Reference No. 3

Customer Name: _____
Contact Individual: _____ Phone No. _____
Address: _____
Contract Amount: _____ Year: _____
Description of work done: _____

STATEMENT OF PROPOSER'S QUALIFICATIONS AND REFERENCES
(Cont'd)

STATE OF CALIFORNIA, COUNTY OF _____

I am the _____
_____ of _____
_____, the proposer herein. I have read the foregoing statement and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon information or belief, and as to those matters I believe them to be true.

Executed on _____ at _____, California.
(date) (place)

I declare, under penalty of perjury, that the foregoing is true and correct.

Signature of Proposer

Title

Signature of Proposer

Title

INSURANCE REQUIREMENTS FOR CONSULTANTS (WITH ERRORS AND OMISSIONS REQUIREMENT)

1. Consultant shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Consultant, its agents, representatives, employees or subconsultants.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business automobile liability insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office automobile liability coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Professional liability/errors and omissions insurance appropriate to Consultant's profession to a minimum coverage of \$1,000,000, with neither Consultant nor listed subconsultants having less than \$500,000 individually. The professional liability/errors and omissions insurance must be project specific with at least a one year extended reporting period, or longer upon request.

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than \$1,000,000 per claimant.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be forwarded to the Risk Manager, addressed as follows:

City of Oxnard
Risk Manager
Reference No. _____
300 West Third Street, Suite 302
Oxnard, California 93030

3. Consultant agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Consultant agrees that the commercial general liability and business automobile liability insurance policies shall be endorsed to name City, its City Council, officers, employees, agents and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees, agents and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-A or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance or self-insurance coverages (**this must be endorsed**). Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. The insurer shall declare any deductibles or self-insured retentions to and be approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

7. All insurance standards applicable to Consultant shall also be applicable to Consultant's subconsultants. Consultant agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

Endorsement Forms

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that the Consultant/insurer use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the sample accord form.

INS-A.doc

ACCORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

CODE SUB-CODE

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY
LETTER A SPECIFY COMPANY NAMES IN THIS SPACE

COMPANY
LETTER B

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG. \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE \$1,000,000 LIMIT BODILY INJURY \$ (Per person) BODILY INJURY \$ (Per accident) PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

CERTIFICATE HOLDER

City of Oxnard
Attn: Risk Manager
Reference No. _____
300 W. Third Street, Suite 302
Oxnard CA 93030

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

[illegible]