



**COUNTY OF EL DORADO**  
**Procurement & Contracts**

ATTN: Purchasing Agent  
360 Fair Lane  
Placerville, CA 95667

**REQUEST FOR PROPOSAL #19-961-058**

**DUE: 3:00 p.m. – March XX, 2019**

Sealed Proposals must be clearly marked on  
the outside of the package with:

**“RFP #19-961-058 MAILROOM DO NOT OPEN”**

**SERVICES FOR THE EXAMINATION OF ANNUAL FINANCIAL STATEMENTS**

The County of El Dorado County Chief Administrative Office, through its Office of Procurement and Contracts (also referred to as “County”), is soliciting proposals from qualified firms to provide independent audit services.

This Request for Proposal (RFP) defines the scope of services and outlines the requirements that must be met by Proposers interested in providing such services. Proposers shall carefully examine the entire RFP and any addenda thereto, and all related materials and data referenced in the RFP or otherwise available, and shall become fully aware of the nature and the conditions to be encountered in performing the service.

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### **Notice to Proposers**

***The Procurement and Contracts Division does not mail out hard copy letters advising participating Proposers of RFP results. For RFP results, please visit our website at:***

<http://edcapps.edcgov.us/contracts/bidresults.asp>

1. **INTRODUCTION:** El Dorado County is located in Northern California and is bordered by Sacramento, Placer, Amador and Alpine counties in California; and Douglas County, Nevada. The two incorporated cities in El Dorado County are Placerville and South Lake Tahoe. In the 2010 census, El Dorado County's population was determined to be 181,058.

County operates under a charter and is governed by an elected five-member Board of Supervisors (Board). A County Chief Administrative Officer 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.

2. **BACKGROUND:**

- A. County seeks proposals from qualified firms to provide independent audit services. It is anticipated that County will enter into a contract with a single firm for all of the services described herein. The resulting contract will be effective for a 3-year period of approximately May 2019 through April 2022 and may be renewed at the discretion of the County for two (2) additional one-year periods.
- B. Accounting records for County are maintained and prepared by the Auditor-Controller's Office. The County maintains fifty-nine individual governmental funds comprised of three hundred twenty-five sub-funds, one enterprise fund comprised of four sub-funds, two internal service funds comprised of six sub-funds, twenty-one agency funds comprised of one hundred sixty-four sub-funds, and one hundred nine investment trust funds comprised of four hundred seven sub-funds. County reported three 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, 2017. A copy of the County's current year Adopted Budget is available at the Auditor-Controller's website at:

<http://www.edcgov.us/Auditor-Controller/Budgets/Current Year County Budget.aspx>

Prior year reports for all other engagements will be provided upon request.

- C. 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 Generally Accepted Accounting Principles (GAAP).

- D. County currently uses MUNIS by Tyler Technologies as its financial reporting system. Other computer applications used by the County include Kronos (payroll processing), Megabyte Property Tax System (property tax assessment system), and SymPro (investment record maintenance).

3. **SCOPE OF SERVICES:** includes, but may not be limited to:

- A. The successful proposer ("Contractor") shall perform all audits 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*.

- B. Contractor shall perform the following audit services and issue all required reports for the following:

1. Express an opinion on the fair presentation of County's basic financial statements, including the combining and individual fund financial statements, in accordance with accounting standards generally accepted in the United States of America (GAAP) for the fiscal years ending June 30, 2019, 2020, and 2021, at the discretion of the County.

The funds included in the audit of County's basic financial statements consist of the following:

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Projects Funds
- Proprietary Funds (internal service and enterprise funds)
- Trust and Agency Funds

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 basic financial statements.

2. In conjunction with County's audit of the basic financial statements, perform a Single Audit and issue reports on 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, 2019, County is estimating 4-6 major programs. In addition, supplemental schedules will be prepared for the following State grant programs: Office of Emergency Services and Board of State and Community Corrections. A program specific grant audit report will be prepared for California Department of Community Services and Development.

Contractor shall complete the online Data Collection Form (Form) and transmit the completed Form electronically to the Federal Audit Clearinghouse. The Contractor will also coordinate with County for County's electronic submission and certification to the Federal Audit Clearinghouse.

Contractor shall also perform agreed-upon procedures associated with the Financial Data Schedule (FDS) for Public Housing Authorities as required by the U.S. Department of Housing and Urban Development.

Contractor shall also submit County's financial report, the management report, and the single audit report to the State Controller's Office for the purpose of completing the required submission to that agency.

As part of the Single Audit of the County's federal award program requirements, Contractor shall prepare the following reports:

- 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.
- 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.

3. 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. The agreed-upon procedures to be performed shall include the following:

- a. 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
- b. Determine that the annual appropriations limit was adopted by resolution of the County Board of Supervisors.

Contractor shall provide an independent accountant's report on applying agreed-upon procedures related to the County's calculation of its annual appropriations limit (and County's dependent special districts) in accordance with Article XIII-B of the California Constitution.

4. Perform an independent audit to determine County Treasury's compliance with investment requirements in conformity with Article 1 (commencing with Section 27000.5) and Article 6 (commencing with Section 27130), of Chapter 5, Division 2, Title 3 of the California Government Code and with the El Dorado County Statement of Investment Policy as approved by the Board of Supervisors.

Contractor shall prepare a standard Independent Treasurer's assertion that the investment requirements of California Government Code Article 1 (commencing with Section 27000.5), Article 6, (commencing with Section 27130), and the El Dorado County Investment Policy have been complied with, for the funds on deposit in the El Dorado County Treasury for the year ending June 30, 2019.

5. Prepare a management letter in accordance with SAS No. 114, which shall 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 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 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. Management letters shall be addressed to County Chief Administrative Officer.
- C. Immediately upon execution of a contract, Contractor shall begin preliminary audit work for the audit of the fiscal year ending June 30, 2019. Thereafter, the audit schedule will be determined by Contractor and the Auditor-Controller's Office. County anticipates that unadjusted trial balances for the fiscal year ending June 30, 2019 will be available September 1, 2019. The first draft of County's fund financial statements will be completed by November 15, 2019.
- D. Contractor must provide annual entrance conferences, progress reporting, and exit conferences. Scheduled meetings will be determined after the awarding of the contract. Entrance Conferences shall be scheduled with County Auditor-Controller, County Chief Administrative Officer, as well as all key finance department personnel and department heads. The purpose of entrance conferences shall be to discuss prior audit problems and the interim work to be performed. These meetings will also be used to establish overall liaison(s) for the audit(s) and to make arrangements for workspace and other needs of Contractor.
- E. Contractor shall provide written regular status updates jointly to the Auditor-Controller and Chief Administrative Officer during the audit fieldwork period, summarizing the progress of the audit. Any significant concerns and/or delays in obtaining information that require management attention or recommendations for immediate corrective action by departments shall be communicated by Contractor in the bi-weekly status reports.

- F. The timetable for various reports, and the specific number of copies of reports required, shall be generally as indicated below. An unbound copy of each report as well as an electronic copy in portable document format (PDF) shall be provided in addition to the number of bound reports shown for each Deliverable (below). Subsequent years' timetables shall be developed pursuant to this general timetable. All reports shall be printed on 8 ½" x 11" standard paper, or folded to match that size, and shall be securely bound in a professional manner.

Deliverable	Number of Bound Reports	Due Date
Agreed-upon Procedures Report on Appropriation Limit	10	November 30, 2019
Basic Financial Statements	10	March 1, 2020
Single Audit Report	10	March 1, 2020
California Department of Community Services and Development	10	March 1, 2020
Independent Treasurer's Assertion	10	March 15, 2020
Report to Management	10	March 15, 2020

**4. OTHER REQUIREMENTS:**

- A. Contractor shall be an independent Contractor and must be licensed to practice by the State of California as a CPA.
- B. Contractor shall have no conflict of interest with regard to any work performed by the firm on behalf of the County.
- C. Prior to award of a contract, Contractor will be required to certify under penalty of perjury that he/she or any other person associated with the firm in the capacity of owner, partner, director, officer, or manager:
- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;

- has not been suspended, debarred, voluntarily excluded, or determined ineligible by any Federal agency within the past three (3) years;
  - does not have a proposed debarment pending; and
  - has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- D. County reserves the right to request additional audits or special reviews not otherwise identified herein. Additional work desired by the County will be negotiated and added to the contract by addendum. The work shall be billed at the same rates as the fee schedule for the original contract.

**5. COUNTY SUPPORT AND ASSISTANCE:**

- A. Preliminary to, and throughout the engagement, 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 County.
- B. The Auditor-Controller's Office will prepare or oversee the preparation of the financial statements and related footnotes for the basic financial statements. The Auditor-Controller's Office will provide Contractor with adjusted trial balances from County's financial accounting system.
- C. The Auditor-Controller's Office, with cooperation from other County departments, will prepare and provide Contractor a draft of the schedule of expenditures of federal awards in connection with the Single Audit, including notes and supplemental schedules.
- D. County will provide reasonable office space, desks, tables, chairs, phones, and access to fax and copy machines while Contractor is performing the services under the contract awarded from this RFP.
- E. The Auditor-Controller's Office will coordinate with Contractor to provide reasonable and necessary access to the County's financial accounting system while Contractor is conducting fieldwork.

- 6. TENTATIVE SCHEDULE:** The following represents the tentative schedule for this RFP. Any change in the scheduled dates for the Deadline for Proposer's Questions, or RFP Submission Deadline will be advertised in the form of an addendum to this RFP. The schedule for the evaluation process and other future dates may be adjusted without notice.

Task	Tentative Scheduled Date
Release and advertise RFP:	March XX, 2019
Proposers' Questions Due:	March XX, 2019
Answers Posted:	March XX, 2019
RFP Submission Deadline:	April XX, 2019
Proposal Review & Evaluation:	April XX, 2019
Interviews (Tentative):	April XX, 2019
Award of RFP by the Board of Supervisors:	End of April 2019
Agreement Effective Date:	Upon Execution by County

7. **PROPOSAL CONTENT AND FORMAT:** Each response to this RFP shall include the information described in this section. Provide the information in the specified order. Failure to include all of the requested information 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.

All copies of the proposal should be contained in loose-leaf 3-ring binders. Use section dividers, tabbed in accordance with this Section as specified below.

- A. **Cover Letter and Signature Requirements:** The Cover Letter must be signed by an officer empowered by the Proposer to sign such material and thereby commit the Proposer to the obligations contained in the RFP response. Further, the signing and submission of a response shall indicate the intention of the Proposer to adhere to the provisions described in this RFP and a commitment to enter a binding contract.

The Cover Letter shall include the following:

1. Title of this RFP.
2. Name and Mailing Address of Proposer (include physical location if mailing address is a P.O. Box).
3. Contact Person, Title, email address, telephone number, and fax number.
4. A statement of the proposer's assent to the terms and conditions contained in the sample agreement attached and included as Exhibit "A" and proposer's ability to meet the minimum insurance requirements set forth in the sample agreement.
5. Brief introduction and executive summary of the Proposal.



**B. Required Statements:** Include statements of assurance regarding the following requirements:

1. A statement that the submitting Proposer will perform the services and adhere to the requirements described in this RFP, including any addenda (reference the addenda by date and/or number).
2. All or part of any submittal may be released to any person or firm who may request it, as prescribed by the State of California Public Records Act. Proposers shall include a statement that describes the specific portion(s) of their submittal that are considered proprietary and should not be releasable as public information. Proposers should be aware that all such requests may be subject to legal review and challenge.
3. Proposer declares there is no Conflict of Interest.
4. Proposer attests there has been no Collusion.
5. Proposer accepts the terms in the sample contract (Exhibit "A"), and is willing and able to fulfill the indemnification and insurance requirements contained therein. (Please note that actual Certificates of Insurance are not required as part of your submittal.)
6. Proposer certifies that it is not currently subject to debarment under Title 49, Code of Federal Regulations, Part 29.
7. Proposer understands and accepts that all travel associated with the delivery of services under the proposed agreement will be the sole responsibility of the Proposer.

**C. Organization Size, Structure, and Resources:**

1. Include a statement of whether the firm is local, national, or international. State the size of the firm, the size of the firm's governmental audit staff, 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.
2. If 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.

**D. Auditing Experience of Firm:**

1. Provide a description of recently performed County and local government audits and the firm's single audit experience. Provide at least three (3) governmental references, including current contact names and telephone numbers, and

descriptions of the audit services provided. Provide a list of all current public agency clients.

2. Describe the results of the firm's most recent peer review. A copy of the peer review report must be included with the proposal.
3. Provide information on the results of any Federal or State desk reviews or field reviews of the firm's audits during the past three (3) years. 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.

**E. Qualifications of Staff:**

1. Identify the personnel proposed to be assigned to work on the County's audits, 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. Include resumes for each person.
2. Provide a statement regarding the education and training program provided to, or required of, the staff to be assigned to County's audits, particularly with reference to governmental accounting and auditing, governmental practices and procedures, and governmental affairs.
3. Proposer shall include an outline of the services to be rendered by your firm under the Agreement as described herein. Provide a detailed discussion regarding the approach, methodology, work plan, and timeline for initial implementation of the work under this RFP.

**F. Project Approach and Plan of Work:**

Clearly describe your firm's detailed approach to performing each of audit components as outlined in Section 3 of this RFP, restated below. Proposals should set forth a work plan, including an explanation of the audit methodology to be followed and estimated timeline to perform the required services. Include a description of your management plan to ensure on-time delivery and compliance with all requirements of the RFP.

1. Audits and reports for County's basic financial statements as well as the expression of an opinion on the combining and individual fund financial statements in relation to the financial statements taken as a whole.
2. Single Audit and reports on County's federal award programs in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. In addition, prepare supplemental schedules for the following State grant programs: Office of Emergency Services and Board of State and Community Corrections. Prepare a program specific grant audit report for the California Department of Community Services and Development.

3. Review of County's Annual GANN Appropriations Limit calculation as prescribed by Article XIII-B of the California Constitution (Proposition 111).
4. Preparation of a Standard Independent Treasurer's Assertion for compliance with investment requirements and policies.
5. Preparation of a management letter in accordance with Statement on Auditing Standards (SAS) No. 114, The Auditor's Communication with Those Charged with Governance.

**G. Cost Proposal:** Provide a total cost proposal for the audit services described within this RFP. Your cost proposal must include the following level of detail:

1. Provide the total cost for each audit component (as defined in Section 3 above) and each Fiscal Year ending June 30, 2019, 2020 and 2021.
2. For each audit, list the classification for each staff who would be assigned, the billing rate and the number of hours they would be assigned.
3. All expenses for the performance of the work should be incorporated into the hourly billing rates.
4. Provide a schedule of professional fees showing the hourly billing rate of each staff person that may perform work under the agreement.

**8. PROPOSERS' QUESTIONS:** Questions regarding this RFP must be submitted in writing to the Procurement and Contracts Office and must be received no later than **5:00 p.m. – on March XX, 2019**. All envelopes or containers must be clearly labeled "**RFP #19-961-058, QUESTION**" for convenience purposes. Envelopes or containers not clearly labeled may be overlooked and not responded to. Questions will **not** be accepted by telephone, facsimile (fax), electronically, or orally. County reserves the right to decline a response to any question if, in County's assessment, the information cannot be obtained and shared with all potential organizations in a timely manner. A summary of the questions submitted, including responses deemed relevant and appropriate by County, will be posted on the Procurement and Contracts website on or about **March XX, 2019**.

All inquiries shall be submitted to:

County of El Dorado  
Procurement and Contracts  
360 Fair Lane  
Placerville, California 95667  
RFP #19-961-058 Question

***Proposers are cautioned that they are not to rely upon any oral statements that they may have obtained. Proposers shall direct all inquiries to the County Purchasing Agent and shall not contact the requesting department directly regarding any matter related to this Request for Proposal.***

9. **PROPOSAL SUBMITTAL**: Proposers must submit three (3) original proposals in loose-leaf 3-ring binders and one (1) electronic copy in portable document format (PDF), including any addenda, in a sealed envelope or container, clearly marked “**RFP #19-961-058 – MAILROOM DO NOT OPEN**”, no later than **3:00 p.m. – March XX, 2019**, to:

County of El Dorado  
Procurement and Contracts  
360 Fair Lane  
Placerville, CA 95667

A Proposer may withdraw its final proposal at any time **prior** to the opening deadline date and time by submitting a written request for its withdrawal to County Purchasing Agent, signed by an authorized agent of the firm. Proposers may thereafter submit a new or modified proposal **prior** to the opening deadline date and time. Modifications offered in any manner, oral or written, will not be considered.

Proposers submitting less than the required number of copies of their proposal may be rejected and considered “non-responsive.” Proposals received beyond the deadline will not be considered, and will be returned unopened.

It is the responsibility of the Proposer to assure that the proposal is received in the Procurement and Contracts Division prior to the proposal opening deadline date and time. Proposals received beyond the proposal opening deadline will not be accepted and will be returned unopened. The time stamp clock located in the office of the Procurement and Contracts Division will serve as the official time clock.

**Failure to comply with any of the requirements contained herein may result in disqualification. It is the responsibility of all Proposers to read ALL sections of this RFP prior to submitting a response.**

**For questions regarding the Request for Proposal process, contact Matthew Potter, Department Analyst, at (530) 621-5417**

10. **PROPOSAL EVALUATION**: Proposals shall be evaluated by a team composed of County personnel, members of County’s Annual Audit Committee, and others at the sole discretion of the County. The evaluation factors reflect a wide range of considerations. While cost is

important, other factors are also significant. The County may request clarification or additional information from a specific Proposer in order to assist in County's evaluation of a proposal. In evaluating the proposals, the Committee will use the following criteria:

<b><u>Evaluation Criteria</u></b>	<b><u>Maximum Points Possible</u></b>
A. Organization size, structure, and resources of firm (per Section 7.C)	10
B. Prior auditing experience (per Section 7.D)	25
Subcriteria:	
• County and local government audits	Max. 15 points
• Single Audit experience	Max. 10 points
B. Qualifications of staff to be assigned to County's audits (per Section 7.E)	15
C. Project approach and plan of work (per Section 7.F)	25
Subcriteria:	
• Audit coverage and approach	Max. 15 points
• Time estimate for proposed audit	Max. 10 points
D. Total Cost Proposal, including percentage increase for optional years (per Section 7.G)	25
<b>Total Possible Points:</b>	<b>100</b>

These evaluation criteria shall be used as the basis for an initial evaluation of the proposals. However, the final recommendation of the evaluation team shall be based on its evaluation of all relevant factors and its determination as to which proposals best comply with the intent of this RFP.

The evaluation team's recommendation need not be in strict conformance with the numerical results arrived at in applying the evaluation criteria.

11. **AWARD:** Award shall be recommended to the Proposer whose proposal best meets the needs of County. County reserves the right to reject any or all proposals, and to solicit additional proposals if deemed in the best interest of County to do so. The decision of County Board of Supervisors shall be final in making such determination.

The successful Proposer will receive written notification of the award, along with instructions for finalizing the agreement documents. Receipt of the fully executed agreement will serve as Proposer's notice to proceed with services.

**12. COUNTY'S RIGHTS:** County reserves the right to:

1. Request clarification of any submitted information
2. Waive any informalities or irregularities in any qualification statement
3. Not enter into any agreement
4. Not select any contractor
5. Cancel this process at any time
6. Amend this process at any time
7. Award more than one (1) contract if it is in the best interest of the County
8. Interview contractor prior to award
9. Request additional information during an interview

**13. PUBLIC RECORDS ACT:** All proposals shall become public information at the conclusion of the selection process, with the exception of those portions of a proposal that are identified at the time of submittal by the Proposer as trade secrets and/or which are deemed by County as not being public documents that must disclosed under the Public Records Act, or other appropriate statutes and regulations. Pricing and service elements of the successful proposal will not be considered proprietary information. Proprietary information shall be submitted in a separate sealed envelope clearly labeled as proprietary with the RFP number on the outside of the envelope. All materials submitted in response to this Request for Proposal shall become the property of County and will not be returned.

**14. VALID OFFER:** Proposals shall remain valid for one hundred twenty days from the due date. County reserves the right to negotiate with the successful Proposer any additional terms or conditions not contained in their proposal which are in the best interest of County or to otherwise revise the scope of this RFP.

This RFP does not constitute a contract or an offer of employment. The cost of preparation of proposals shall be the obligation of the Proposer. All proposals, whether accepted or rejected, shall become the property of County and will not be returned. Unnecessarily elaborate responses, enclosures and specialized binding are not desired, and may be construed as an indication of Proposer's lack of cost consciousness.

**15. WEB SITE REQUIREMENTS:** It is the bidder's responsibility to monitor County's website for possible addenda to this bid to inform him/herself of the most current specifications, terms, and conditions, and to submit his/her bid in accordance with the original bid requirements and all addenda. All available bids and related addenda can be found at:

<http://edcapps.edcgov.us/contracts/invite.asp>

Failure of bidder to obtain this information shall not relieve him/her of the requirements contained therein. Those bidders not acknowledging and returning Addenda as required will not be considered and will be rejected as "non-responsive."

16. **BUSINESS LICENSE REQUIREMENT:** It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070. Contact the Tax Collector's Office at 360 Fair Lane, Placerville, California 95667, or phone (530) 621-5800, for further information. El Dorado County is an equal opportunity employer (EOE). Minorities, females, and handicapped are encouraged to participate (M/F/H).

It is not a requirement to possess a County business license at the time of proposal submittal. Successful Proposers may be required to possess a County business license to award contract. County of El Dorado is an equal opportunity employer (EOE). Minorities, Females, and Handicapped are encouraged to participate.

17. **PUBLIC AGENCY:** It is intended that other public agencies (i.e., city, special district, public authority, public agency, and other political subdivisions of the State of California) shall have the option to participate in any agreement created as a result of this Request for Proposal to Bid with the same terms and conditions specified there in, including pricing. County shall incur no financial responsibility in connection with any agreement from another public agency. The public agency shall accept sole responsibility for contracting for services and making payment to the vendor.

***Your participation in the RFP process is important to the County of El Dorado!***

## EXHIBIT A

### Sample

#### Services for the Examination of Annual Financial Statements

#### AGREEMENT FOR SERVICES # \_\_\_\_\_

**THIS AGREEMENT**, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and \_\_\_\_\_, a \_\_\_\_\_ duly qualified to conduct business in the State of California, whose principal place of business is \_\_\_\_\_ (hereinafter referred to as "Contractor");

#### RECITALS

**WHEREAS**, County has determined that it is necessary to obtain a Contractor to assist its Chief Administrative Office in providing services for the examination of annual financial statements of County;

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, expert, and competent to perform the special services required hereunder, and County has determined to rely upon such representations;

**WHEREAS**, it is the intent of the parties hereto that such services be in conformity with all applicable state and local laws;

**WHEREAS**, County has determined that the provision of such services provided by Contractor are in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210(b)(6) and/or Government Code Section 31000;

**NOW, THEREFORE**, County and Contractor mutually agree as follows:

#### ARTICLE I.

**Scope of Services:** Contractor agrees to furnish personnel, equipment, and services necessary to provide for the examination of annual financial statements for the fiscal years ending June 30, 2019, 2020, and 2021. Services shall include, but not be limited to, those tasks as identified in Exhibit A, marked "Scope of Work," and to be completed in accordance with Exhibit B, marked "Project Schedule," both exhibits incorporated herein and made by reference a part hereof.



**ARTICLE II.**

**Term:** This Agreement shall become effective upon final execution by both parties hereto and shall expire three (3) years thereafter.

**ARTICLE III.**

**Compensation for Services:** For services provided herein, including any deliverables that may be identified herein, County agrees to pay Contractor upon the satisfactory completion and County's acceptance of work, in arrears. Payment shall be made within forty-five (45) days following County's receipt and approval of itemized invoices identifying the services rendered.

For the purposes hereof, the billing rates shall be in accordance with Exhibit C, marked "Rate Schedule," incorporated herein and made by reference a part hereof.

The total amount of this Agreement shall not exceed \$\_\_\_\_\_, inclusive of all costs and expenses.

Itemized invoices shall follow the format specified by County and shall reference this Agreement number on their faces. Copies of documentation attached to invoices shall reflect Contractor's charges for the specific services billed on those invoices. Invoices shall be mailed to County at the following address:

County of El Dorado  
Chief Administrative Office  
330 Fair Lane  
Placerville, California 95667

or to such other location as County directs.

In the event that Contractor fails to deliver, in the format specified, the deliverables required by this Agreement, County at its sole option may delay the payment for the period of time of the delay, cease all payments until such time as the required deliverables are received, or proceed as set forth below in ARTICLE XII, Default, Termination, and Cancellation, herein.

**ARTICLE IV.**

**Taxes:** Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

**ARTICLE V.**

**Changes to Agreement:** This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

**ARTICLE VI.**

**Contractor to County:** It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any

manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during the term hereof.

#### **ARTICLE VII.**

**Confidentiality:** Contractor shall maintain the confidentiality and privileged nature of all records, including billing records, together with any knowledge therein acquired, in accordance with all applicable state and federal laws and regulations, as they may now exist or may hereafter be amended or changed. Contractor, and all Contractor's staff, employees, and representatives, shall not use or disclose, directly or indirectly at any time, any said confidential information, other than to County's Community Development Services for the purpose of, and in the performance of, this Agreement. This confidentiality provision shall survive after the expiration or earlier termination of this Agreement.

#### **ARTICLE VIII.**

**Assignment and Delegation:** Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate, or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

#### **ARTICLE IX.**

**Independent Contractor/Liability:** Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by the terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful, and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

#### **ARTICLE X.**

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment, or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce or order a reduction in the budget for any County department for which

services were contracted to be performed, pursuant to this paragraph in the sole discretion of County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

#### **ARTICLE XI.**

**Audit by California State Auditor:** Contractor acknowledges that if total compensation under this Agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code § 8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the Agreement, all books, records, and documentation necessary to demonstrate performance under the Agreement.

#### **ARTICLE XII.**

##### **Default, Termination, and Cancellation:**

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (Time to Cure), then such party shall be in default. The Time to Cure may be extended at the discretion of the party giving notice. Any extension of Time to Cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date in which the extension of Time to Cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the Time to Cure has expired. In the event of termination, County reserves the right to take over and complete the work by contract or by any other means.

- B. **Bankruptcy:** This Agreement, at the option of County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement immediately in the event Contractor ceases to operate as a business or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part upon seven (7) calendar days' written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates, as set forth in the Notice of Termination provided to Contractor, and for such other services which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the Agreement. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the Notice directs otherwise.

**ARTICLE XIII.**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

To County:

County of El Dorado  
Chief Administrative Office  
330 Fair Lane  
Placerville, California 95667

With a copy to:

County of El Dorado  
Chief Administrative Office  
Procurement and Contracts  
2850 Fairlane Court  
Placerville, California 95667

Attn.: Name  
Title

Attn.: Michele Weimer  
Administrative Services Officer  
Contracts & Procurement Unit

or to such other location as County directs.

Notices to Contractor shall be addressed as follows:

Company Name.  
Street Address  
City, State Zip Code

Attn.: Name, Title

or to such other location as Contractor directs.

**ARTICLE XIV.**

**Change of Address:** In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing as provided in ARTICLE XIII, Notice to Parties. Said notice shall become part of this Agreement upon acknowledgment in writing by County's Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

**ARTICLE XV.**

**Indemnity:** Contractor shall defend, indemnify, and hold County and its officers, agents, employees, and representatives harmless against and from any and all claims, suits, losses, damages, and liability for damages of every name, kind, and description, including attorneys' fees and costs incurred, brought for, or on account of, injuries to, or death of, any person, including but not limited to

workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to, or in any way arise out of, or are connected with Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of County, Contractor, subcontractor(s), and employee(s) of any of these, except for the sole or active negligence of County, its officers, agents, employees, and representatives, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

#### ARTICLE XVI.

**Insurance:** Contractor shall provide proof of a policy of insurance satisfactory to County's Risk Management Division and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000 aggregate limit.
- C. Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by Contractor in performance of the Agreement.
- D. In the event Contractor is a licensed professional or professional contractor and is performing professional services under this Agreement, Professional Liability Insurance is required with a limit of liability of not less than \$1,000,000.
- E. Contractor shall furnish a certificate of insurance satisfactory to County's Risk Management Division as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to County's Risk Management Division or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required herein shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
  - 1. The insurer will not cancel the insured's coverage without prior written notice to County; and

2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. Contractor's insurance coverage shall be primary insurance in respect to County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by County. At the option of County, either: The insurer shall reduce or eliminate such deductibles or self-insured retentions in respect to County, its officers, officials, employees, and volunteers; or Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to County, its officers, officials, employees, or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. The certificate of insurance shall meet such additional standards as may be determined by the contracting County department, either independently or in consultation with County's Risk Management Division as essential for protection of County.

#### **ARTICLE XVII.**

**Interest of Public Official:** No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

#### **ARTICLE XVIII.**

**Interest of Contractor:** Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree, in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement.

Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

#### **ARTICLE XIX.**

**Conflict of Interest:** The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this Agreement and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in ARTICLE XII, Default, Termination, and Cancellation, herein.

#### **ARTICLE XX.**

##### **Nondiscrimination:**

- A. County may require Contractor's services on projects involving funding from various state and/or federal agencies, and as a consequence, Contractor shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Contractor and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, genetic information, military or veteran status, marital status, age, gender, gender identity, gender expression, sexual orientation, or sex; Contractor shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Contractor and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Contractor shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Contractor's signature executing this Agreement shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Sections 12990 and 8355 and Title 2, California Code of Regulations, Section 8103.

#### **ARTICLE XXI.**

**California Residency (Form 590):** If Contractor is a California resident, Contractor must file a State of California Form 590, certifying its California residency or, in the case of a limited liability company or corporation, certifying that it has a permanent place of business in California. Contractor will be required to submit a Form 590 prior to execution of this Agreement, or County shall withhold seven

(7) percent of each payment made to Contractor during the term of this Agreement. This requirement applies to any agreement/contract exceeding \$1,500.

**ARTICLE XXII.**

**Nonresident Withholding:** If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Contractor shall indemnify and hold County harmless for any action taken by the California Franchise Tax Board.

**ARTICLE XXIII.**

**County Payee Data Record Form:** All independent contractors or corporations providing services to County who do not have a Department of the Treasury Internal Revenue Service Form W-9 (Form W-9) on file with County must file a County Payee Data Record Form with County.

**ARTICLE XXIV.**

**Business License:** County's Business License Ordinance provides that it is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Ordinance Code Section 5.08.070. Contractor warrants and represents that it shall comply with all of the requirements of County's Business License Ordinance, where applicable, prior to beginning work under this Agreement and at all times during the term of this Agreement.

**ARTICLE XXV.**

**Licenses:** Contractor hereby represents and warrants that Contractor and any of its subcontractors employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Contractor and its subcontractors to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Contractor and its subcontractors shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

**ARTICLE XXVI.**

**California Forum and Law:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

**ARTICLE XXVII.**

**Contract Administrator:** The County Officer or employee with responsibility for administering this Agreement is Jennifer Franich, Principal Management Analyst, Chief Administrative Office, or successor.

**ARTICLE XXVIII.**

**Authorized Signatures:** The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth herein.



**ARTICLE XXIX.**

**Partial Invalidity:** If any provision, sentence, or phrase of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, sentences, and phrases will continue in full force and effect without being impaired or invalidated in any way.

**ARTICLE XXX.**

**No Third Party Beneficiaries:** Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Agreement.

**ARTICLE XXXI.**

**Counterparts:** This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

**ARTICLE XXXII.**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties, and they incorporate or supersede all prior written or oral agreements or understandings.

**Requesting Contract Administrator Concurrence:**

By: \_\_\_\_\_  
Name  
Title  
Department

Dated: \_\_\_\_\_

**Requesting Department Concurrence:**

By: \_\_\_\_\_  
Name  
Title  
Department

Dated: \_\_\_\_\_

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the dates indicated below.

**--COUNTY OF EL DORADO--**

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Board of Supervisors  
"County"

Attest:  
James S. Mitrishin  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

Dated: \_\_\_\_\_

**--CONTRACTOR NAME--**

By: \_\_\_\_\_  
Name  
Title  
"Contractor"

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name  
Corporate Secretary

Dated: \_\_\_\_\_

## Contractor's Name

### Exhibit A

#### Scope of Work

- A. Contractor shall perform all audits 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*.
- B. Contractor shall perform the following audit services and issue all required reports for the following:
1. Express an opinion on the fair presentation of County's basic financial statements, including the combining and individual fund financial statements, in accordance with accounting standards generally accepted in the United States of America (GAAP) for the fiscal years ending June 30, 2019, 2020, and 2021, at the discretion of the County.

The funds included in the audit of County's basic financial statements consist of the following:

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Projects Funds
- Proprietary Funds (internal service and enterprise funds)
- Trust and Agency Funds

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 basic financial statements.

2. In conjunction with County's audit of the basic financial statements, perform a Single Audit and issue reports on 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, 2019, County is estimating 4-6 major

programs. In addition, supplemental schedules will be prepared for the following State grant programs: Office of Emergency Services and Board of State and Community Corrections. A program specific grant audit report will be prepared for California Department of Community Services and Development.

Contractor shall complete the online Data Collection Form (Form) and transmit the completed Form electronically to the Federal Audit Clearinghouse. The Contractor will also coordinate with County for County's electronic submission and certification to the Federal Audit Clearinghouse.

Contractor shall also perform agreed-upon procedures associated with the Financial Data Schedule (FDS) for Public Housing Authorities as required by the U.S. Department of Housing and Urban Development.

Contractor shall also submit County's financial report, the management report, and the single audit report to the State Controller's Office for the purpose of completing the required submission to that agency.

As part of the Single Audit of the County's federal award program requirements, Contractor shall prepare the following reports:

- 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.
- 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.

3. 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. The agreed-upon procedures to be performed shall include the following:
  - c. 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
  - d. Determine that the annual appropriations limit was adopted by resolution of the County Board of Supervisors.

Contractor shall provide an independent accountant's report on applying agreed-upon procedures related to the County's calculation of its annual appropriations limit (and County's dependent special districts) in accordance with Article XIII-B of the California Constitution.

4. Perform an independent audit to determine County Treasury's compliance with investment requirements in conformity with Article 1 (commencing with Section 27000.5) and Article 6 (commencing with Section 27130), of Chapter 5, Division 2, Title 3 of the California Government Code and with the El Dorado County Statement of Investment Policy as approved by the Board of Supervisors.

Contractor shall prepare a standard Independent Treasurer's assertion that the investment requirements of California Government Code Article 1 (commencing with Section 27000.5), Article 6, (commencing with Section 27130), and the El Dorado County Investment Policy have been complied with, for the funds on deposit in the El Dorado County Treasury for the year ending June 30, 2019.

5. Prepare a management letter in accordance with SAS No. 114, which shall 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 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 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. Management letters shall be addressed to County Chief Administrative Officer.
- C. Immediately upon execution of a contract, Contractor shall begin preliminary audit work for the audit of the fiscal year ending June 30, 2019. Thereafter, the audit schedule will be determined by Contractor and the Auditor-Controller's Office. County anticipates that unadjusted trial balances for the fiscal year ending June 30, 2019 will be available September 1, 2019. The first draft of County's fund financial statements will be completed by November 15, 2019.
  - D. Contractor must provide annual entrance conferences, progress reporting, and exit conferences. Scheduled meetings will be determined after the awarding of the contract. Entrance Conferences shall be scheduled with County Auditor-Controller, County Chief Administrative Officer, as well as all key finance department personnel and department heads. The purpose of entrance conferences shall be to discuss prior audit problems and the interim work to be performed. These meetings will also be used to establish overall liaison(s) for the audit(s) and to make arrangements for workspace and other needs of Contractor.
  - E. Contractor shall provide written regular status updates jointly to the Auditor-Controller and Chief Administrative Officer during the audit fieldwork period, summarizing the progress of the audit. Any significant concerns and/or delays in obtaining information that require management attention or recommendations for immediate corrective action by departments shall be communicated by Contractor in the bi-weekly status reports.

- F. The timetable for various reports, and the specific number of copies of reports required, shall be generally as indicated below. An unbound copy of each report as well as an electronic copy in portable document format (PDF) shall be provided in addition to the number of bound reports shown for each Deliverable (below). Subsequent years' timetables shall be developed pursuant to this general timetable. All reports shall be printed on 8 ½" x 11" standard paper, or folded to match that size, and shall be securely bound in a professional manner.

Deliverable	Number of Bound Reports	Due Date
Agreed-upon Procedures Report on Appropriation Limit	10	November 30, 2019
Basic Financial Statements	10	March 1, 2020
Single Audit Report	10	March 1, 2020
California Department of Community Services and Development	10	March 1, 2020
Independent Treasurer's Assertion	10	March 15, 2020
Report to Management	10	March 15, 2020

**Contractor's Name**

**Exhibit B**

**Project Schedule**

Audit Activities	Projected Completion Date
	_____ 2019
	_____ 2019
	_____ 2019
	_____ 2019
	_____ 2019
	_____ 2019
	_____ 2019

Audit Activities	Projected Completion Date
	_____ 2020
	_____ 2020
	_____ 2020
	_____ 2020
	_____ 2020
	_____ 2020
	_____ 2020



**Contractor's Name**

**Exhibit C**

**Rate Schedule**

Item	Rate
<b>LABOR</b>	
Position/Title	\$0.00 – 0.00 / hour
Position/Title	\$0.00 – 0.00 / hour
Position/Title	\$0.00 – 0.00 / hour
Position/Title	\$0.00 – 0.00 / hour
Position/Title	\$0.00 – 0.00 / hour
Position/Title	\$0.00 – 0.00 / hour
<b>EXPENDITURES</b>	
*Mileage Expenses	

\* Reimbursement for mileage expenses for Consultant and for any subconsultants, if applicable, shall be compensated in accordance with the provisions of ARTICLE II, Compensation for Services, and ARTICLE VII, Cost Principles and Administrative Requirements, of this Agreement.