

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

824



FROM: Housing Authority

SUBMITTAL DATE:
August 6, 2015

SUBJECT: Financial Audit Services at the Housing Authority of the County of Riverside – Approve and Accept Lowest Cost Proposal and Approve Contract for Financial Audit Services with Smith Marion & Company LLP, Three Years, [\$135,285], Department of Housing and Urban Development, Public Housing Operating Funds 100%; CEQA Exempt , All Districts

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the project is exempt under California Environmental Quality Act (CEQA) State Guidelines Section 15061(b)(3);
2. Approve and accept the lowest cost proposal submitted by Smith Marion & Company LLP (Smith Marion) to the Housing Authority of the County of Riverside (HACR) as the lowest responsible and responsive proposer for the provision of financial audit services for an initial 1 year term with 2 options to renew for 1 year periods each (\$43,500 initial 1st year cost, \$44,055 option year 1 and \$44,730 option year 2, plus one time consultant fee of \$3,000) for a total aggregate contract amount of \$135,285;

(Continued)

Robert Field
Executive Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 43,500	\$ 44,055	\$ 135,285	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Department of Housing and Urban Development, Public Housing Operating Funds 100%				Budget Adjustment: No	
				For Fiscal Year: 2015/16-2017/18	

C.E.O. RECOMMENDATION:

APPROVE

BY:

Imelda Delos Santos

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

- A-30
- 4/5
- Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: N/A

District: All

Agenda Number:

10-1

FISCAL PROCEDURES APPROVED
 PAUL LANGUJO, CPA, AUDITOR-CONTROLLER
 BY:
 Susana Garcia-Bocanegra
 Departmental Concurrence
 FORM APPROVED COUNTY COUNSEL
 BY:
 GREGORY P. PRIAMOS
 DATE: 7/29/15

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Financial Audit Services at the Housing Authority of the County of Riverside – Approve and Accept Lowest Cost Proposal and Approve Contract for Financial Audit Services with Smith Marion & Company LLP, Three Years, [\$135,285], Department of Housing and Urban Development, Public Housing Operating Funds 100%; CEQA Exempt, All Districts

DATE: August 6, 2015

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RECOMMENDED MOTION: (Continued)

3. Approve the attached Contract for Financial Audit Services (Agreement) between HACR and Smith Marion & Company LLP (Smith Marion), for an initial 1 year term with 2 options to renew for 1 year periods each, for a total contract amount of \$135,285;
4. Authorize the Chairman of the Board to sign the attached Agreement;
5. Authorize the Executive Director, or designee, to take all necessary steps to implement the Agreement including, but not limited to, signing subsequent essential and relevant documents, and exercising the renewal options based on the availability of fiscal funding, subject to approval by County Counsel; and
6. Direct Housing Authority staff to file the Notice of Exemption with the Clerk of the Board within five working days.

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) is required by the U.S. Department of Housing and Urban Development (HUD) to perform financial audits on an annual basis as well as other audits and financial reports as may be required by HUD. This service must be renewed every three years, per HUD procurement policy.

The Housing Authority advertised a Request for Proposals (RFP) for financial audit services with a closing date of April 17, 2014. The financial audit services requested included general audits of the HACR, HUD final audit reports, and additional financial audit services as needed. The HACR received and evaluated three proposals.

HACR staff recommends that the Board of Commissioners (BOC) approve and accept the lowest cost proposal submitted by Smith Marion & Company LLP (Smith Marion) as the lowest responsible and responsive proposer for the provision of financial audit services. HACR staff also recommends that the BOC approve the attached proposed Contract for Financial Audit Services (Contract) to be entered into between HACR and Smith Marion. The proposed Contract is for an initial 1 year term with 2 options to extend for 1 year periods each, for a total contract amount of \$135,285.

HACR staff reviewed the submitted proposal and determined that Smith Marion was the highest rated and lowest cost proposer that responded to the RFP. Housing Authority staff recommends approval of the attached proposed Contract. County Counsel has reviewed and approved the Agreement as to form.

CEQA Analysis

The proposed Agreement with Smith Marion is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3), common sense, general rule exemption. It can be seen with certainty that there is no possibility that the Contract may have a significant effect on the environment. The proposed action is for financial audit services and will not result in any development or physical change. HACR staff will file a Notice of Exemption with the Clerk of the Board within five working days after the approval of the proposed Contract.

Impact on Citizens and Businesses (Commences on Page 3)

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Financial Audit Services at the Housing Authority of the County of Riverside – Approve and Accept Lowest Cost Proposal and Approve Contract for Financial Audit Services with Smith Marion & Company LLP, Three Years, [\$135,285], Department of Housing and Urban Development, Public Housing Operating Funds 100%; CEQA Exempt, All Districts

DATE: August 6, 2015

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Impact on Citizens and Businesses

Approving this item will have a positive impact on the citizens and businesses of Riverside County. This HUD required financial audit service will enable the HACR to meet its HUD obligations and better provide services to the community.

SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund; the County's contribution to the project will be fully funded through HUD Public Housing Operating Funds.

Fiscal Year	Fee Amount
FY July 1, 2015 – June 30, 2016	\$43,500
FY July 1, 2016 – June 30, 2017	\$44,055
FY July 1, 2017 – June 30, 2018	\$44,730
Consultant Fee	\$3,000
TOTAL FEE	\$135,285

Contract History and Price Reasonableness

The HACR advertised a Request for Proposals (RFP) No. 2014-001 with a proposal due date of April 17, 2014. The HACR received and evaluated three proposals. Smith Marion & Company LLP was the highest rated and lowest cost proposer that responded to the solicitation. The cost proposed by the lowest cost proposer at \$135,285 compares well with the other proposed amounts and is deemed to be appropriate, fair and reasonable.

Attachments:

- Contract for Financial Audit Services (2)
- Notice of Exemption

1 **CONTRACT FOR FINANCIAL AUDIT SERVICES**
2 **BY AND BETWEEN**
3 **THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**
4 **AND SMITH-MARION & COMPANY LLP**

5
6 This CONTRACT FOR FINANCIAL AUDIT SERVICES (“Contract”) is made by and
7 between the **HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**, a public
8 entity corporate and politic (“AUTHORITY”) and **SMITH-MARION & COMPANY, a**
9 **California Limited Liability Partnership**, (“CONTRACTOR). AUTHORITY and
10 CONTRACTOR are collectively referred to herein as the “Parties.”

11 **RECITALS**

12 **WHEREAS**, AUTHORITY is a Housing Authority duly created, established
13 and authorized to transact business and exercise its powers, all under and pursuant to the
14 provision of the Housing Authorities Law which is Part 2 of Division 24 of the California
15 Health and Safety Code commencing with Section 34200 et seq.;

16 **WHEREAS**, pursuant to the Housing Authorities Law, AUTHORITY is
17 authorized to make and execute contracts and other instruments necessary or convenient to
18 exercise its powers;

19 **WHEREAS**, CONTRACTOR was the successful bidder in connection with the
20 AUTHORITY’s Request for Proposal No. 2014-001 for Financial Audit services dated
21 February 6, 2014 attached hereto and incorporated herein by this reference (“RFP No. 2014-
22 001”); and

23 **WHEREAS**, CONTRACTOR has the expertise, special skills, knowledge and
24 experience to perform the duties set out herein and in RFP No. 2014-001, and agrees to provide
25 such services to AUTHORITY.
26
27
28

1 **NOW THEREFORE**, in consideration of the mutual covenants contained
2 herein, the Parties hereto agree as follows:

3 1. DESCRIPTION OF SERVICES. CONTRACTOR shall furnish all labor,
4 services, material and equipment as outlined and specified in (i) Exhibit A, attached hereto and
5 incorporated herein by this reference, (ii) RFP No. 2014-001; and (iii) CONTRACTOR's
6 proposal submitted to the AUTHORITY on April 24, 2014 in connection with RFP No. 2014-
7 001 which is incorporated herein by this reference (collectively, "Financial Audit services" or
8 "services").

9 1.1 CONTRACTOR shall, as required by applicable code, law or regulation,
10 provide the Financial Audit services to the AUTHORITY at its business office located at 5555
11 Arlington Street, Riverside, California 92504 or any other public housing site within Riverside
12 County as designated by the AUTHORITY. CONTRACTOR affirms this it is fully apprised of
13 all of the work to be performed under this Contract; and CONTRACTOR agrees it can properly
14 perform this work.

15 1.2 Acceptance by the AUTHORITY of CONTRACTOR's performance
16 under this Contract does not operate as a release of CONTRACTOR's responsibility for full
17 compliance with the terms of this Contract.

18 1.3 CONTRACTOR represents and maintains that it is skilled in the
19 professional calling necessary to perform all services, duties and obligations required by this
20 Contract and Exhibit "A" to fully and adequately provide all services and the AUTHORITY
21 relies upon this representation. CONTRACTOR shall perform the services and duties in
22 conformance to and consistent with the standards generally recognized as being employed by
23 professionals in the same discipline in the State of California. CONTRACTOR further
24 represents and warrants to the AUTHORITY that it has all licenses, permits, qualifications and
25 approvals of whatever nature that are legally required to practice its profession.
26 CONTRACTOR further represents that it shall keep all such licenses and approvals in effect
27 during the term of this Contract.

28

1 2. PERIOD OF PERFORMANCE. The term of this Contract shall commence on
2 the Effective date (defined below) and continue in effect until **June 30, 2016**, unless earlier
3 terminated pursuant to paragraph 13 below ("Term"). The term "Effective Date" as used herein
4 shall mean the date the Parties execute this Contract. If the Parties execute this Contract on
5 more than one date, then the last date this Contract is executed by a party shall be the Effective
6 Date.

7 2.1 Extension. Upon mutual written agreement, the AUTHORITY and
8 CONTRACTOR shall have the option to extend this Contract for **two (2) additional**
9 **consecutive one (1) year periods.** Such extensions must be approved in writing by the Parties
10 and memorialized in a written amendment to this Contract executed by the Parties hereto. The
11 cumulative period of performance under this Contract (including the initial Term) shall not
12 exceed a total of **three (3) years with a completion/termination date of June 30, 2018.** All
13 applicable indemnification provisions in this Contract shall survive the termination of this
14 Contract.

15 3. COMPENSATION/PAYMENT.

16 3.1 The AUTHORITY will compensate CONTRACTOR for all services
17 rendered, products provided and costs and expenses incurred for the Financial Audit services
18 provided pursuant to this Contract. All employee wages paid, pursuant to and/or in connection
19 with this Contract, are subject to U.S. Department of Labor Service Contract Act Wage
20 Determination No.: 2005-2053, Revision No. 17, 07/25/2014.

21 3.2 The maximum total amount of compensation paid to the CONTRACTOR
22 by the AUTHORITY pursuant to this Contract during the initial Term shall not exceed the sum
23 of **Forty Three Thousand Five Hundred Dollars (\$43,500.00)**, including any expenses.
24 During the initial Term, AUTHORITY shall also pay CONTRACTOR a one-time consultant
25 fee in the not to exceed sum of Three Thousand Dollars (\$3,000.00). In the event the Parties
26 extend the Term pursuant to Section 2.1 above, (i) the maximum total amount of compensation
27 paid to the CONTRACTOR pursuant to this Contract during the 1st year extension period shall
28 not exceed the sum of **Forty Four Thousand Fifty-Five Dollars (\$44,055.00)**, including any

1 expenses, and (ii) the maximum total amount of compensation paid to the CONTRACTOR
2 pursuant to this Contract during the 2nd year extension period shall not exceed the sum of **Forty**
3 **Four Thousand Seven Hundred and Thirty Dollars (\$44,730.00)**, including any expenses.
4 The total amount of compensation paid by AUTHORITY to CONTRACTOR during the initial
5 Term, plus any extensions, for the Financial Audit services, shall not exceed the sum of One
6 Hundred Thirty-Five Thousand Two Hundred Eighty-Five Dollars (\$135,285), including all
7 expenses.

8 3.3 CONTRACTOR shall invoice the AUTHORITY once services are
9 rendered in accordance with Exhibit A attached hereto. AUTHORITY shall pay the invoice
10 within thirty (30) working days from the date of receipt of the invoice. AUTHORITY shall not
11 be liable for any interest or late charges in the performance of this Contract.

12 3.4 The AUTHORITY obligation for payment of this Contract beyond the
13 current fiscal year end is contingent upon and limited by the availability of AUTHORITY
14 funding from which payment can be made. No legal liability on the part of the AUTHORITY
15 shall arise for payment beyond June 30 of each calendar year unless funds are made available
16 for such payment. In the event that such funds are not forthcoming for any reason,
17 AUTHORITY shall immediately notify CONTRACTOR in writing, and this Contract shall be
18 deemed terminated and have no further force and effect.

19 4. ADDITIONAL SERVICES. The CONTRACTOR shall not perform any
20 additional services or incur additional expenses, outside of this Contract, without first receiving
21 the express written consent to proceed from the AUTHORITY in the form of an amendment to
22 this Contract.

23 5. AMENDMENTS TO WORK PROGRAM. The Deputy Executive Director of
24 AUTHORITY is authorized to approve and execute changes to the Contract. Such changes
25 shall be mutually agreed upon by and between the Deputy Executive Director and
26 CONTRACTOR and shall be incorporated in written amendments to this CONTRACT.

27 6. INSPECTION OF SERVICES. All performances under this Contract shall be
28 subject to inspection by the AUTHORITY. CONTRACTOR shall provide adequate

1 cooperation to AUTHORITY representative to permit him/her to determine CONTRACTOR's
2 conformity with the terms of this Contract. If any services performed or products provided by
3 CONTRACTOR are not in conformance with the terms of this Contract or of RFP No. 2014-
4 001, the AUTHORITY shall have the right to require CONTRACTOR to perform the services
5 or provide the products in conformance with the terms of the CONTRACT and/or RFP No.
6 2014-001 at no additional cost to the AUTHORITY. When the services to be performed or the
7 products to be provided are of such nature that the difference cannot be corrected, the
8 AUTHORITY shall have the right to: (1) require CONTRACTOR immediately to take all
9 necessary steps to ensure future performance in conformity with the terms of the Contract;
10 and/or (2) if applicable, reduce the Contract price to reflect the reduced value of the services
11 performed or products provided. The AUTHORITY may also terminate this Contract for
12 default and charge to CONTRACTOR any costs incurred by the AUTHORITY because of
13 CONTRACTOR's failure to perform.

14 CONTRACTOR shall establish adequate procedures for self-monitoring to ensure
15 proper performance under this Contract; and shall permit An AUTHORITY representative to
16 monitor, assess or evaluate CONTRACTOR's performance under this Contract at any time
17 upon reasonable notice to CONTRACTOR.

18 7. INDEPENDENT CONTRACTOR. CONTRACTOR is, for purposes relating to
19 this contract, an independent contractor and shall not be deemed an employee of the
20 AUTHORITY. It is expressly understood and agreed that CONTRACTOR (including its
21 employees, agents and subcontractors) shall in no event be entitled to any benefits to which
22 AUTHORITY employees are entitled, including but not limited to overtime, any retirement
23 benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall
24 be no employer-employee relationship between the parties; and CONTRACTOR shall hold
25 AUTHORITY harmless from any and all claims that may be made against AUTHORITY based
26 upon any contention by a third party that an employer-employee relationship exists by reason of
27 this Contract. It is further understood and agreed by the Parties that CONTRACTOR in the
28 performance of this Contract is subject to the control or direction of AUTHORITY merely as to

1 the results to be accomplished and not as to the means and methods for accomplishing the
2 results.

3 8. SUBCONTRACT FOR WORK OR SERVICES. No contract shall be made by
4 CONTRACTOR with any other party for furnishing any of the work or services under this
5 Contract without the prior written approval of the AUTHORITY; but this provision shall not
6 require the approval of contracts of employment between CONTRACTOR and personnel
7 assigned under this Contract, or for Parties named in the RFP No. 2014-001 and agreed to under
8 this Contract.

9 9. SERVICE-CONTRACT ACT. For all service contracts in excess of \$2,500,
10 whose principal purpose of which is to furnish services through the use of "service employees,"
11 both Parties hereby agree to comply with the Service Contract Act, as amended (41 U.S.C.
12 6701, et seq.), the applicable provisions of the Fair Labor Standards Act of 1938, as amended
13 (29 U.S.C. 201, et seq.), and related Secretary of Labor regulations and instructions (29 CFR
14 Parts 4, 6, 8, and 1925).

15 10. INDEMNIFICATION. CONTRACTOR shall indemnify and hold harmless the
16 AUTHORITY, Housing Authority of the County of Riverside, the County of Riverside, their
17 respective Agencies, Districts, Special Districts and Departments, and their respective directors,
18 officers, Board of Supervisors, Board of Commissioners, elected and appointed officials,
19 employees, agents and representatives (individually and collectively hereinafter referred to as
20 Indemnitees) from any liability whatsoever, based or asserted upon any services of
21 CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of
22 or in any way relating to this Contract, including but not limited to property damage, bodily
23 injury, or death, or any other element of any kind or nature whatsoever arising from the
24 performance of CONTRACTOR, its officers, employees, subcontractors, agents or
25 representatives from this Contract. CONTRACTOR shall defend at its sole expense, all costs
26 and fees including, but not limited to, attorney fees, cost of investigation, defense and
27 settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or
28 omissions.

1 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
2 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and
3 shall have the right to adjust, settle, or compromise any such action or claim without the prior
4 consent of AUTHORITY; provided, however, that any such adjustment, settlement or
5 compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification
6 to Indemnitees as set forth herein.

7 CONTRACTOR's obligation hereunder shall be satisfied when CONTRACTOR has
8 provided AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any
9 liability for the action or claim involved.

10 The specified insurance limits required in this Contract shall in no way limit or
11 circumscribe CONTRACTOR's obligations to indemnify and hold harmless the Indemnitees
12 herein from third party claims.

13 In the event there is conflict between this clause and California Civil Code Section 2782,
14 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not
15 relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by
16 law.

17 11. INSURANCE. Without limiting or diminishing the CONTRACTOR's obligation
18 to indemnify or hold the AUTHORITY and the Indemnitees harmless, CONTRACTOR shall
19 procure and maintain or cause to be maintained, at its sole cost and expense, the following
20 insurance coverages during the term of this Contract. As respects to the insurance section only,
21 the AUTHORITY herein refers to the Housing Authority of the County of Riverside, the
22 County of Riverside, their respective Agencies, Districts, Special Districts, and Departments,
23 their respective directors, officers, Board of Supervisors, Board of Commissioners, employees,
24 elected or appointed officials, agents or representatives as Additional Insureds.

25 11.1 Workers' Compensation. If the CONTRACTOR has employees as defined
26 by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation
27 Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include
28 Employers' Liability (Coverage B) including Occupational Disease with limits not less than

1 \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor
2 of the AUTHORITY.

3 11.2 Commercial General Liability. Commercial General Liability insurance
4 coverage, including but not limited to, premises liability, unmodified contractual liability,
5 products and completed operations liability, personal and advertising injury, employment
6 practices liability, and cross liability coverage, covering claims which may arise from or out of
7 CONTRACTOR's performance of its obligations hereunder. Policy shall name the
8 AUTHORITY, as Additional Insureds. Policy's limit of liability shall not be less than
9 \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate
10 limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence
11 limit.

12 11.3 Vehicle Liability. If vehicles or mobile equipment are used in the
13 performance of the obligations under this Contract, then CONTRACTOR shall maintain
14 liability insurance for all owned, non-owned or hired vehicles so used in an amount not less
15 than \$1,000,000 per occurrence combined single limit. If such insurance contains a general
16 aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the
17 occurrence limit. Policy shall name the AUTHORITY, as Additional Insureds.

18 11.4 Professional Liability. Contractor shall maintain Professional Liability
19 Insurance providing coverage for the Contractor's performance of work included within this
20 Contract, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000
21 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made
22 basis rather than an occurrence basis, such insurance shall continue through the term of this
23 Contract and CONTRACTOR shall purchase at his sole expense either 1) an Extended
24 Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new
25 insurer with a retroactive date back to the date of, or prior to, the inception of this Contract; or
26 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained
27 continuous coverage with the same or original insurer. Coverage provided under items; 1), 2),
28 or 3) will continue as long as the law allows.

1 11.5 General Insurance Provisions - All lines.

- 2 a. Any insurance carrier providing insurance coverage hereunder shall be
3 admitted to the State of California and have an A M BEST rating of not less
4 than A: VIII (A:8) unless such requirements are waived, in writing, by the
5 County Risk Manager. If the County's Risk Manager waives a requirement
6 for a particular insurer such waiver is only valid for that specific insurer and
7 only for one policy term.
- 8 b. The CONTRACTOR must declare its insurance self-insured retention for
9 each coverage required herein. If any such self-insured retention exceed
10 \$500,000 per occurrence each such retention shall have the prior written
11 consent of the County Risk Manager before the commencement of operations
12 under this Contract. Upon notification of self-insured retention unacceptable
13 to the AUTHORITY, and at the election of the County's Risk Manager,
14 CONTRACTOR's carriers shall either; 1) reduce or eliminate such self-
15 insured retention as respects this Contract with the AUTHORITY, or 2)
16 procure a bond which guarantees payment of losses and related
17 investigations, claims administration, and defense costs and expenses.
- 18 c. CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to
19 furnish the AUTHORITY with either 1) a properly executed original
20 Certificate(s) of Insurance and certified original copies of Endorsements
21 effecting coverage as required herein, and 2) if requested to do so orally or in
22 writing by the County Risk Manager, provide original Certified copies of
23 policies including all Endorsements and all attachments thereto, showing
24 such insurance is in full force and effect. Further, said Certificate(s) and
25 policies of insurance shall contain the covenant of the insurance carrier(s)
26 that thirty (30) calendar days written notice shall be given to the
27 AUTHORITY prior to any material modification, cancellation, expiration or
28 reduction in coverage of such insurance. In the event of a material

1 modification, cancellation, expiration, or reduction in coverage, this Contract
2 shall terminate forthwith, unless the AUTHORITY receives, prior to such
3 effective date, another properly executed original Certificate of Insurance and
4 original copies of endorsements or certified original policies, including all
5 endorsements and attachments thereto evidencing coverage's set forth herein
6 and the insurance required herein is in full force and effect. **CONTRACTOR**
7 *shall not commence operations until the AUTHORITY has been furnished*
8 *original Certificate (s) of Insurance and certified original copies of*
9 *endorsements and if requested, certified original policies of insurance*
10 *including all endorsements and any and all other attachments as required*
11 *in this Section, showing that such insurance is in full force and effect. An*
12 *individual authorized by the insurance carrier to do so on its behalf shall*
13 *sign the original endorsements for each policy and the Certificate of*
14 *Insurance.*

- 15 d. It is understood and agreed to by the parties hereto that the
16 CONTRACTOR's insurance shall be construed as primary insurance, and the
17 AUTHORITY's insurance and/or deductibles and/or self-insured retention's
18 or self-insured programs shall not be construed as contributory.
- 19 e. If, during the term of this Contract or any extension thereof, there is a
20 material change in the scope of services; or, there is a material change in the
21 equipment to be used in the performance of the scope of work; or, the term of
22 this Contract, including any extensions thereof, exceeds five (5) years; the
23 AUTHORITY reserves the right to adjust the types of insurance and the
24 monetary limits of liability required under this Contract, if in the County
25 Risk Manager's reasonable judgment, the amount or type of insurance carried
26 by the CONTRACTOR has become inadequate.
- 27 f. CONTRACTOR shall pass down the insurance obligations contained herein
28 to all tiers of subcontractors working under this Contract.

1 g. The insurance requirements contained in this Contract may be met with a
2 program(s) of self-insurance acceptable to the AUTHORITY.

3 h. CONTRACTOR agrees to notify AUTHORITY of any claim by a third party
4 or any incident or event that may give rise to a claim arising from the
5 performance of this Contract.

6 12. GENERAL.

7 12.1 CONTRACTOR shall not provide any services or products subject to any
8 chattel mortgage or under a conditional sales contract or other agreement by which an interest is
9 retained by a third party. The CONTRACTOR warrants that it has good title to all materials or
10 products used by CONTRACTOR or provided to AUTHORITY pursuant to this Contract, free
11 from all liens, claims or encumbrances.

12 12.2 The AUTHORITY agrees to cooperate with the CONTRACTOR in the
13 CONTRACTOR'S performance under this Contract, including, if stated in the Contract,
14 providing the CONTRACTOR with reasonable facilities and timely access to AUTHORITY's
15 data, information and personnel.

16 12.3 CONTRACTOR shall comply with all applicable Federal, State and local
17 laws and regulations. CONTRACTOR will comply with all applicable AUTHORITY policies
18 and procedures. In the event that there is a conflict between the various laws or regulations that
19 may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

20 12.4 CONTRACTOR shall comply with all air pollution control, water
21 pollution, safety and health ordinances, statutes or regulations which apply to performance
22 under this Contract.

23 13. TERMINATION.

24 13.1 AUTHORITY may terminate this Contract without cause upon thirty (30)
25 days written notice served upon the CONTRACTOR stating the extent and effective date of
26 termination.

27 13.2 AUTHORITY may, upon five (5) days written notice, terminate this
28 Contract for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the

1 terms of this Contract or fails to make progress so as to endanger performance and does not
2 immediately cure such failure. In the event of such termination, the AUTHORITY may proceed
3 with the work in any manner deemed proper by AUTHORITY.

4 13.3 After receipt of the notice of termination, CONTRACTOR shall:

5 (a) Stop all work under this Contract on the date specified in the notice of
6 termination; and

7 (b) Transfer to AUTHORITY and deliver in the manner as directed by
8 AUTHORITY any data, estimates, graphs, summary reports, or other
9 related materials and or records, as may have been prepared or
10 accumulated by CONTRACTOR in performance of services, whether
11 completed or in progress or which, if the Contract had been completed or
12 continued, would have been required to be furnished to AUTHORITY.

13 13.4 After termination, AUTHORITY shall make payment only for
14 CONTRACTOR'S performance, which has been completed and accepted by AUTHORITY, up
15 to the date of termination in accordance with this Contract.

16 13.5 CONTRACTOR's rights under this Contract shall terminate (except for
17 fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of
18 this Contract by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or
19 inability for any reason whatsoever to perform the terms of this Contract. In such event,
20 CONTRACTOR shall not be entitled to any further compensation under this Contract.

21 13.6 If the termination is due to a default by CONTRACTOR the
22 AUTHORITY may take over the work and prosecute the same to completion by contract or
23 otherwise. CONTRACTOR shall be liable to the AUTHORITY for any reasonable additional
24 costs incurred by the AUTHORITY to revise work for which the AUTHORITY has
25 compensated CONTRACTOR under this Contract, but which the AUTHORITY has determined
26 in its sole discretion needs to be revised in part or whole to complete the services required under
27 this Contract. Following discontinuance of services, the AUTHORITY may arrange for a
28 meeting with CONTRACTOR to determine what steps, if any, CONTRACTOR can take to

1 adequately fulfill its requirements under this Contract. In its sole and absolute discretion,
2 AUTHORITY's representative may propose an adjustment to the terms and conditions of the
3 Contract, including the Contract price. Such contract adjustments, if accepted in writing by the
4 Parties, shall become binding on CONTRACTOR and shall be performed as part of this
5 Contract. In the event of termination due to a default by CONTRACTOR, unless otherwise
6 agreed to in writing by the parties, this Contract shall terminate immediately upon
7 CONTRACTOR's receipt of the notice of termination. Termination of this Contract for cause
8 may be considered by the AUTHORITY in determining whether to enter into future contracts
9 with CONTRACTOR.

10 13.7 The rights and remedies of the AUTHORITY provided in this Section are
11 in addition to any other rights and remedies provided by law or under this Contract.

12 14. FORCE MAJEURE. If either Party is unable to comply with any provision of
13 this Contract due to causes beyond its reasonable control, and which could not have been
14 reasonably anticipated, such as Acts of God, acts of war, civil disorders, or other similar acts,
15 such Party shall not be held liable for such failure to comply, provided the other Party receives
16 written notice of such force majeure event no later than fourteen (14) calendar days after
17 commencement of such force majeure event.

18 15. EDD REPORTING REQUIREMENTS. In order to comply with child support
19 enforcement requirements of the State of California, the AUTHORITY may be required to
20 submit a Report of Independent Contractor(s) form DE 542 to the Employment Development
21 Department ("EDD"). CONTRACTOR agrees to furnish the required data and certifications to
22 the AUTHORITY within ten (10) calendar days of notification of award of Contract when
23 required by the EDD. This data will be transmitted to governmental agencies charged with the
24 establishment and enforcement of child support orders. Failure of CONTRACTOR to timely
25 submit the data and/or certificates required may result in the Contract being award to another
26 contractor. In the event a Contract has been issued, failure of CONTRACTOR to comply with
27 all federal and state reporting requirements for child support enforcement or to comply with all
28 lawfully served Wage and Earnings Assignments Orders and Notice of Assignment shall

1 constitute a material breach of this Contract. If CONTRACTOR has any questions concerning
2 this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its
3 local Employment Tax Customer Service Office listed in the telephone directory in the State
4 Government section under "Employment Development Department" or access their Internet site
5 at www.edd.ca.gov.

6 16. CONFLICT OF INTEREST. CONTRACTOR covenants that it presently has
7 no interest, including, but not limited to, other projects or contracts, and shall not acquire any
8 such interest, direct or indirect, which would conflict in any manner or degree with
9 CONTRACTOR's performance under this Contract. CONTRACTOR further covenants that no
10 person or subcontractor having any such interest shall be employed or retained by
11 CONTRACTOR under this Contract. CONTRACTOR agrees to inform the AUTHORITY of
12 all CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the
13 AUTHORITY's interests.

14 CONTRACTOR shall not, under circumstances which could be interpreted as an attempt
15 to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor
16 from individuals or firms with whom CONTRACTOR is doing business or proposing to do
17 business, in accomplishing the work under this Contract.

18 CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and
19 entertainment directly or indirectly to AUTHORITY employees.

20 17. ADMINISTRATION. The AUTHORITY Executive Director (or designee) shall
21 administer this Contract on behalf of the AUTHORITY, in his/her sole and absolute discretion.

22 18. ASSIGNMENT. This Contract shall not be delegated or assigned by
23 CONTRACTOR, either in whole or in part, without prior written consent of AUTHORITY.
24 Any assignment or purported assignment of this Contract by CONTRACTOR without the prior
25 written consent of AUTHORITY will be deemed void and of no force or effect.

26 19. NONDISCRIMINATION. CONTRACTOR shall not be discriminate in the
27 provision of services, allocation of benefits, accommodation in facilities, or employment of
28 personnel on the basis of ethnic group identification, race, religious creed, color, national origin,

1 ancestry, physical handicap, medical condition, sexual orientation, marital status or sex in the
2 performance of this Contract; and, to the extent they shall be found to be applicable hereto, shall
3 comply with the provisions of the California Fair Employment Practices Act (commencing with
4 Section 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-352), the
5 Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws
6 or regulations.

7 20. ALTERATION. No alteration or variation of the terms of this Contract shall be
8 valid unless made in writing and signed by the Parties hereto, and no oral understanding or
9 agreement not incorporated herein shall be binding on any of the Parties hereto.

10 21. ELIGIBILITY. Services and benefits shall be provided by CONTRACTOR to
11 individuals without reference to their religion, color, sex, national origin, age or physical or
12 mental handicap.

13 22. LICENSE AND CERTIFICATION. CONTRACTOR verifies upon execution of
14 this Contract, possession of a current and valid license in compliance with any local, State, and
15 Federal laws and regulations relative to the scope of services to be performed under Exhibit A
16 and RFP No. 2014-001, and that services(s) will be performed by properly trained and licensed
17 staff.

18 23. CONFIDENTIALITY. CONTRACTOR shall observe all Federal, State and
19 AUTHORITY regulations concerning confidentiality of records. CONTRACTOR shall refer
20 all requests for information to the AUTHORITY. CONTRACTOR shall not use for personal
21 gain or make other improper use of privileged or confidential information which is acquired in
22 connection with this Contract. The term "privileged or confidential information" includes but is
23 not limited to: unpublished or sensitive technological or scientific information; medical,
24 personnel, or security records; anticipated material requirements or pricing/purchasing actions;
25 AUTHORITY information or data which is not subject to public disclosure; AUTHORITY
26 operational procedures; and knowledge of selection of contractors, subcontractors or suppliers
27 in advance of official announcement.

28 24. WORK PRODUCT. All reports, preliminary findings, or data assembled or

1 compiled by CONTRACTOR under this Contract become the property of the AUTHORITY.
2 The AUTHORITY reserves the right to authorize others to use or reproduce such materials.
3 Therefore, such materials shall not be circulated in whole or in part, nor released to the public,
4 without the direct written authorization of the AUTHORITY Executive Director or an
5 authorized designee.

6 25. RECORDS AND DOCUMENTS. CONTRACTOR shall make available, upon
7 written request by any duly authorized Federal, State or local agency, a copy of this Contract
8 and such books, documents and records as are necessary to certify the nature and extent of
9 CONTRACTOR's costs related to this Contract. All such books, documents and records shall
10 be maintained by CONTRACTOR for at least five years following termination of this Contract
11 and be available for audit by the AUTHORITY. CONTRACTOR shall provide to the
12 AUTHORITY reports and information related to this Contract as requested by the
13 AUTHORITY.

14 26. NONCONFORMING PAYMENTS. In the event CONTRACTOR receives
15 payment under this Contract which is later disallowed by the AUTHORITY for
16 nonconformance with the terms of the Contract, CONTRACTOR shall promptly refund the
17 disallowed amount to the AUTHORITY on request; or at its option the AUTHORITY may
18 offset the amount disallowed from any payment due to CONTRACTOR.

19 27. NO PARTIAL DELIVERY OF SERVICES. CONTRACTOR shall not provide
20 partial delivery or shipment of services or products unless specifically stated in the Contract.

21 28. LABOR STANDARDS. CONTRACTOR shall comply with all requirements of
22 the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by
23 the U.S. Department of Labor and the State of California (Cal/OSHA).

24 29. JURISDICTION AND VENUE. This Contract shall be governed by the laws of
25 the State of California. Any legal action related to the performance or interpretation of this
26 Contract shall be filed only in the Superior Court of the State of California located in Riverside,
27 California, and the Parties waive any provision of law providing for a change of venue to
28 another location.

1 30. MEDIATION. CONTRACTOR and AUTHORITY agree that in the event of
2 any controversy or dispute between AUTHORITY and CONTRACTOR arising out of this
3 Contract, regardless of the nature of the claim or dispute, whether in tort, contract, or otherwise,
4 which are not adequately addressed by the AUTHORITY's informal and formal dispute
5 resolution process, if applicable, shall be submitted to mediation. The Parties shall jointly select
6 a mediator acceptable to CONTRACTOR and AUTHORITY. The mediation shall take place in
7 the County of Riverside. Each Party shall be responsible for its own legal fees and other
8 expenses incident to the preparation for mediation. If the dispute cannot be resolved by
9 mediation, neither AUTHORITY nor CONTRACTOR will waive their rights to bring the
10 appropriate legal action in a court of competent jurisdiction within the County of Riverside.

11 31. WAIVER. Any waiver by AUTHORITY of any breach of any one or more of
12 the terms of this Contract shall not be construed to be a waiver of any subsequent or other
13 breach of the same or of any other term thereof. Failure on the part of the AUTHORITY to
14 require exact, full and complete compliance with any terms of this Contract shall not be
15 construed as in any manner changing the terms hereof, or estopping AUTHORITY from
16 enforcement hereof.

17 32. SURVIVABILITY OF TERMS. Provisions of this Contract that are not fully
18 performed or are not capable of being fully performed as of the date of termination will survive
19 termination of this Contract.

20 33. EXHIBITS. The following exhibits are attached hereto and incorporated herein
21 by this reference:

- 22 i. Exhibit A - Scope of Services;
- 23 ii. Exhibit B - RFP No. 2014-001;
- 24 iii. Exhibit C - Form HUD-5370-C (01/2014), General Conditions for Non-
25 Construction Contracts; and
- 26 iv. Exhibit D - U.S. Department of Labor Service Contract Act Wage Determination
27 No.: 2005-2053, Revision No. 18, 12/22/2014; and
- 28 v. Exhibit E - CONTRACTOR's Form of Proposal, submitted to the AUTHORITY

1 on April 24, 2014 in connection with RFP No. 2014-001.

2 34. NOTICES. Any notice or other communication required or permitted under this
3 Contract shall be sufficiently given if delivered in person or sent by one of the following
4 methods: (1) registered U.S. mail, return receipt requested (postage prepaid); (2) certified U.S.
5 mail, return receipt requested (postage prepaid); or (3) commercially recognized overnight
6 service with tracking capabilities. Notices or communications shall be deemed properly
7 delivered to the respective Parties at the addresses set forth below, or such other addresses
8 provided by the parties in writing, and are deemed submitted as of the date personally delivered
9 or two days after their deposit in the United States mail, postage prepaid, or via overnight
10 service:

11	Heidi Marshall	Chad Porter
12	Deputy Executive Director	Partner
13	Housing Authority County of Riverside	Smith-Marion & Company LLP
14	5555 Arlington Avenue	22365 Barton Road
	Riverside, California 92504	Grand Terrace, CA 92313

15 35. MISCELLANEOUS. As used in this contract, the term CONTRACTOR also
16 includes CONTRACTOR's owners, officers, employees, representatives and agents.

17 36. SEVERABILITY. If any provision in this Contract is held by a court of
18 competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will
19 nevertheless continue in full force without being impaired or invalidated in any way.

20 37. ENTIRE CONTRACT. This Contract, including any attachments or exhibits,
21 constitutes the entire Contract of the Parties with respect to its subject matter and supersedes all
22 prior and contemporaneous representations, proposals, discussions and communications,
23 whether oral or in writing. This Contract may be changed or modified only by a written
24 amendment signed by authorized representatives of both Parties.

25
26 **(Remainder of Page Intentionally Blank)**

27 **(Signatures on next page)**

28 ///

1 **IN WITNESS WHEREOF**, the Parties hereto have caused their duly authorized representatives
2 to execute this Contract as of the dates set forth below.

3
4 "AUTHORITY"

"CONTRACTOR"

5
6 **HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**, a public entity, corporate and
7 politic

SMITH-MARION & COMPANY, a
California limited liability partnership

8
9 By: _____
10 Marion Ashley, Chairman
Board of Commissioners

By: 
_____ Chad Porter, Partner

11 **Date:** _____

Date: 7/25/15

12
13 **ATTEST**
14 **KECIA HARPER-IHEM**
Clerk of the Board

15
16 _____
Deputy

17
18 **APPROVED AS TO FORM:**
19 **Gregory P. Priamos**, County Counsel

20 By: 
21 Jhails R. Brown, Deputy County Counsel

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EXHIBIT "A"
SCOPE OF SERVICES

The Smith-Marion Company LLP ("Contractor") shall provide the following services to the Housing Authority of the County of Riverside ("Authority") during the term of that certain Contract for Financial Audit Services (Contract):

All services set forth in RFP No. 2014-001 for Financial Audit Services, attached to this Contract as Exhibit "B" and;

Contractor's financial audit services shall include, but are not limited to, the following:

1. **HACR General Audit Standards:** Any audit that is performed by the Contractor shall be performed in accordance with auditing standards generally accepted in the United States, and will additionally require compliance testing and a study of internal accounting controls. The Contractor will be required to certify that each and every audit is performed in accordance with all applicable federal and state laws and regulations, and in accordance with Generally Accepted Government Auditing Standards (GAGAS), as issued by the Comptroller General of the United States and as defined in Title 31 U.S.C.A. of Section 7501(7). The Contractor will also be required to certify that each and every audit is performed in accordance with provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and will include tests of the accounting records, a determination of major programs in accordance with OMB Circular A-133, and other procedures that are considered necessary to express such opinions and to render the required reports; including the OMB Circular Compliance supplements that are applicable to the U.S. Department of Housing and Urban Development (HUD) properties major programs.

1 2. **HACR Audit Overview:** The HACR was last audited for the fiscal-year end (FYE)
2 June 30, 2013. The HACR will require the Contractor to provide auditing services for
3 the fiscal years (FY) ending June 30, 2015 (FY2014/2015), June 30, 2016
4 (FY2015/2016) and June 30, 2017 (FY2016/2017), this audit shall include the following
5 HACR programs and items:

6 a. An audit of the HACR's Annual Financial Report for the purpose of determining
7 whether or not such financial statements fairly present the financial position and
8 results of operations of the HACR in accordance with Generally Accepted
9 Government Accounting Standards (GAGAS) in the United States and provide
10 for certain required supplementary information (RSI) and other supplementary
11 information to supplement the basic financial statements. This may include:

- 12 i. Management discussion and analysis.
- 13 ii. Schedule of surplus cash calculations.
- 14 iii. Consolidated statements of financial position.
- 15 iv. Any other information as required or deemed necessary by the HACR for
16 better presentation of the HACR's financial statements, in its sole and
17 absolute discretion.

18 b. An audit of the HACR's financial statements and pertinent documents to
19 determine whether or not there has been compliance with the provision of the
20 Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and Public
21 Law 98-502 (title 31 U.S.C.A. Sections 7501 through 7505 inclusive), referred to
22 herein as the "Act", and implementing Office of Management and Budget
23 (OMB) Circular A-133.

24 c. An audit of the HACR's internal accounting and administrative controls as
25 required by the Act and OMB Circular (Single Audit).

26
27 3. **Reporting:** The Contractor shall submit draft reports to the HACR for timely review
28 prior to the issuance of any final reports.

- 1 4. **Technical Assistance:** The Contractor will provide technical assistance and coordinate
2 with the County of Riverside Auditor-Controller's Office as necessary, as related to the
3 scope of services rendered herein.
4
- 5 5. **Scheduling of Personnel:** As the Contractor schedules staff to perform annual services,
6 the Contractor shall give the HACR the right, in its sole and absolute discretion, to
7 assign the same on-site supervisor(s) for audit engagements so as to provide continuity
8 of service performance.
9
- 10 6. **Completion Time Frame:** The FYE 6/30/2015 audit must be performed and the
11 Contractor must provide the HACR with a Management Letter (final copy) advising the
12 HACR of opportunities observed for economy of operations and improvement in
13 internal controls no later than September 30, 2015.
14
- 15 7. **Final Audit Report(s):** On or before August 30, 2015, the Contractor will provide
16 copies of all final audit reports to the HACR including, but not limited to the following:
17 a. HACR Financial Statements, Proprietary (Enterprise) Fund Type, and Auditors'
18 Report in accordance with Office of Management and Budget (OMB) under the
19 Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520);
20 b. HACR Supplementary Information and Auditors' Report in accordance with
21 Office of Management and Budget (OMB) under the Paperwork Reduction Act
22 of 1995 (44 U.S.C 2501-3520);
23 c. HACR Supplementary Information and Auditors' Report (with Financial Data
24 Schedules per HUD's specifications) in accordance with Office of Management
25 and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-
26 3520).
27 d. Desert Rose Apartments Financial Statement, Proprietary (Enterprise) Fund
28 Type and Auditors' Report: Nine (9) bound copies, one (1) unbound and

1 unstapled copy, and one electronic version in accordance with Office of
2 Management and Budget (OMB) under the Paperwork Reduction Act of 1995
3 (44 U.S.C 2501-3520).

4 e. The Contractor shall conduct the audit in full conformance with OMB Circular
5 A-133.

6 f. Once completed, the Contractor will be required to submit to the HACR a total
7 of 10 copies of the Single Audit Report.

8 g. The Contractor shall perform the agreed upon procedures related to the Financial
9 Data Schedule (FDS) submission process to the Real Estate Assessment Center
10 (REAC); and must have obtained the required REAC user access and Unique
11 Item Identifier. (UII) number from HUD.

12 h. In addition to the audit of the basic financial statements, and the requirements of
13 the Single Audit Acts and OMB Circular A-133, the Contractor may be required
14 to perform the following:

15 i. Form SF-SAC - The Contractor will also be required to prepare and
16 electronically submit, by the due date each year, to the Bureau of Census
17 a Data Collection Form (Form SF-SAC) along with the audited financial
18 statements and comply with all of their requirements.

19
20 8. **Future Deadlines:** Similar deadlines will be established for all work pertaining to
21 subsequent FY's ("similar" meaning the calendar month and days will be the same as
22 listed herein but the years will adjust accordingly).

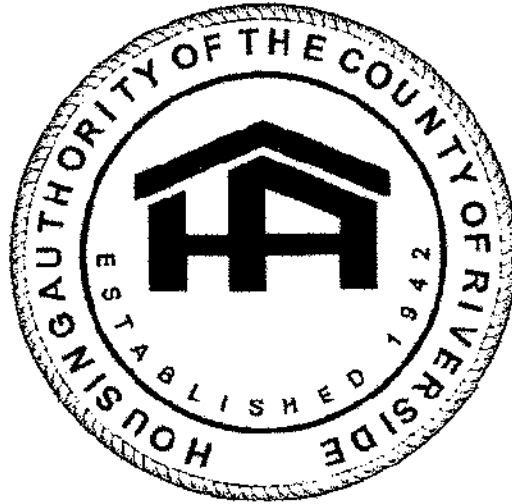
23
24 9. Any other services required by the Authority in connection with the financial audit
25 services to be provided under the Contract.
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EXHIBIT "B"

RFP NO. 2014-001

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REQUEST FOR PROPOSALS (RFP)
FINANCIAL AUDIT SERVICES

RFP NO. 2014 - 001

Housing Authority of the County of Riverside (HACR)
5555 Arlington Avenue
Riverside, CA 92504

**REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES**

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**REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES**

INTRODUCTION

The Housing Authority of the County of Riverside (hereinafter, "HACR") is a public entity, corporate and politic, that was formed in 1942 to provide federally subsidized housing and housing assistance to low-income families, within the County of Riverside. The HACR is headed by an Executive Director (ED) and is governed by a five-person board of commissioners and is subject to the requirements of Title 24 of the Code of Federal Regulations (hereinafter, "CFR") and the HACR's procurement policy.

Currently, the HACR maintains an inventory of 469 public housing units, 17 revenue bond-financed rental housing units, and 77 Farm Worker apartment units. The HACR also administers approximately 8,827 Tenant-Based Section 8 Vouchers, 80 Section 8 Moderate Rehabilitation Vouchers, 115 Shelter-Plus Care Vouchers, 90 Housing Opportunities for Persons with AIDS (HOPWA) units, 557 Family Self Sufficiency (FSS) participants, and 48 Project-Based Rental Assistance Vouchers. The HACR currently has approximately 145 employees.

The HACR is a committed partner in the community's effort to revitalize neighborhoods and foster economic development, as well as to provide quality, affordable housing.

The HACR's Board of Commissioners adopted a resolution authorizing the HACR to accept any and all right, powers, assets, liabilities, duties, loans, leases, and obligations associated with the housing functions of the former Redevelopment Agency of the County of Riverside and the former Redevelopment Agency of the City of Coachella. Therefore, the HACR's portfolio includes fund assets for the Low and Moderate Income Housing Funds and Housing Bond Proceeds to be expended for wind-down activities and the development of housing projects on fifty seven (57) parcels of land, with a total value of \$34.4 million and three (3) other parcels in the Coachella Valley. Other transferred assets include long-term loans receivable approximately worth \$172 million, and program income from tenant rents and other leases.

In keeping with its mandate to provide efficient and effective services, the HACR is now soliciting proposals from qualified, licensed and insured entities to provide financial audit services to the HACR. All proposals submitted in response to this solicitation must conform to all of the requirements and specifications outlined within this document and any designated attachments in its entirety.

REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES

RFP INFORMATION AT A GLANCE

HA CONTACT PERSON

Erlan Gonzalez, Contracting Officer
(E-mail) ergonzalez@rivcoeda.org
(Office) 951-343-5484
(Fax) 951-688-6873

HOW TO OBTAIN THE RFP DOCUMENTS

1. Access www.missionreproplanroom.com
2. Click on public jobs in the menu section and follow the directions to download the (RFP # 2014-001) FINANCIAL AUDIT SERVICES
3. Download the RFP.

**DEADLINES FOR SUBMITTING
QUESTIONS/INTERPRETATIONS (RFIs)**

Thursday, February 20, 2014 at 12:00PM PST

**HOW TO FULLY RESPOND TO THIS RFP BY
SUBMITTING A PROPOSAL SUBMITTAL**

1. As instructed within Section 4.4 of the RFP document, submit 3 copies of your "hard copy" proposal to the HACR.

**PROPOSAL SUBMITAL RETURN AND
DEADLINE**

Thursday, March 6, 2014 at 2:00PM PST

5555 Arlington Avenue
Riverside, CA 92504
(Proposals shall be delivered to the Housing Authority of the County of Riverside (HACR), on the 1st Floor of HACR Administrative Building located at 5555 Arlington Avenue, Riverside, CA 92504.)

**REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES**

1.0 HACR'S RESERVATION OF RIGHTS:

- 1.1 **Right to Reject, Waive, or Terminate the RFP.** The HACR reserves the right to reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by the HACR to be in its best interests.
- 1.2 **Right to Not Award.** The HACR reserves the right not to award a contract pursuant to this RFP.
- 1.3 **Right to Terminate.** The HACR reserves the right to terminate a contract awarded pursuant to this RFP, at any time for its convenience upon 5 days written notice to the successful proposer(s).
- 1.4 **Right to Determine Time and Location.** The HACR reserves the right to determine the days, hours and locations that the successful proposer(s) shall provide the services called for in this RFP.
- 1.5 **Right to Determine Financial Responsibility and Viability.** The HACR reserves the right to require of proposer information regarding financial responsibility and viability or such other information as the HACR determines is necessary to ascertain whether a proposal is in fact the lowest responsive and responsible proposal submitted.
- 1.6 **Right to Retain Proposals.** The HACR reserves the right to retain all proposals submitted and not permit withdrawal for a period of 60 days subsequent to the deadline for receiving proposals without the written consent of the HACR Contracting Officer (CO).
- 1.7 **Right to Negotiate Fees.** The HACR reserves the right to negotiate the fees proposed by the proposer entity.
- 1.8 **Right to Reject Any Proposal.** The HACR reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services.
- 1.9 **No Obligation to Compensate.** The HACR shall have no obligation to compensate any proposer for any costs incurred in responding to this RFP.
- 1.10 **Right to Prohibit.** The HACR shall reserve the right to at any time during the RFP or contract process to prohibit any further participation by a proposer or reject any proposal submitted that does not conform to any of the requirements detailed herein. By accessing the www.missionreproplanroom.com Internet System (hereinafter, the "noted Internet System" or the "System") and by downloading this document, each prospective proposer is thereby agreeing to abide by all terms and conditions listed within this document and within the noted Internet System, and further agrees that he/she will inform the CO in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by the HACR that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve the HACR, but not the prospective proposer, of any responsibility pertaining to such issue.

**REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES**

2.0 PURPOSE:

The purpose of this Request for Proposal (RFP) is to solicit accounting firms ("proposed contractor") to perform an annual agency wide audit for the Housing Authority of the County of Riverside ("HACR"), to include audit entrance, exit and status meetings.

3.0 SCOPE OF WORK/TECHNICAL SPECIFICATIONS: Audit services shall include, but are not limited to, the following:

3.5 General Audit Standards. Any audit that is performed by award of this RFP shall be performed in accordance with auditing standards generally accepted in the United States, and will additionally require compliance testing and a study of internal accounting controls. The successful proposer will be required to certify that each and every audit is performed in accordance with all applicable federal and state laws and regulations, and in accordance with Generally Accepted Government Auditing Standards (GAGAS), as issued by the Comptroller General of the United States and as defined in Title 31 U.S.C.A. of Section 7501(7). The successful proposer will also be required to certify that each and every audit is performed in accordance with provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and will include tests of the accounting records, a determination of major programs in accordance with OMB Circular A-133, and other procedures that are considered necessary to express such opinions and to render the required reports; the OMB Circular Compliance supplements that are applicable to HUD properties major programs.

The successful proposer shall be a peer reviewed firm whose system of quality control to perform accounting and auditing work was determined to be in conformity with professional standards and found to be in compliance with its system.

3.6 Brief Program Overview. The HACR was last audited for the fiscal-year end June 30, 2013. The services the HACR will require the successful proposer to provide auditing services for the fiscal years ending June 30, 2015 (FY2014/2015), June 30, 2016 (FY2015/2016) and June 30, 2017 (FY2016/2017), including the following HACR programs and items:

3.6.1 An audit of the HACR's Annual Financial Report for the purpose of determining whether or not such financial statements fairly present the financial position and results of operations of the HACR in accordance with Generally Accepted Accounting Standards in the United States and provide for certain required supplementary information (RSI) and other supplementary information to supplement the basic financial statements. This may include:

- 3.6.1.1 Management discussion and analysis.
- 3.6.1.2 Schedule of surplus cash calculations.
- 3.6.1.3 Consolidated Statements of Financial Position.
- 3.6.1.4 Any other information as required or deemed necessary for better presentation of the financial statements.

3.6.2 An audit of the HACR's financial statements and pertinent documents to determine whether or not there has been compliance with the provision of

**REQUEST FOR PROPOSALS (RFP) NO. 2014-001
FINANCIAL AUDIT SERVICES**

the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and Public Law 98-502 (title 31 U.S.C.A. Sections 7501 through 7505 inclusive), referred to herein as the "Act", and implementing Office of Management and Budget (OMB) Circular A-133.

- 3.6.3** An audit of the Housing's internal accounting and administrative controls as required by the Act and OMB Circular (Single Audit).
- 3.6.4** The successful proposer is to submit draft reports to the HACR for timely review prior to final issuance.
- 3.6.5** The successful proposer will provide technical Assistance and coordinate with the County of Riverside Auditor-Controller Office, as necessary, related to the scope of services rendered herein.
- 3.6.6** As the successful proposer schedules staff to perform annual services, the successful proposer is to give the HACR consideration to assign the same on-site supervisor(s) for audit engagements to provide continuity for service performance.
- 3.7** **Completion Time Frame.** The FYE 6/30/2015 audit must be performed and the successful proposer must provide HACR with a Management Letter (final copy) advising the HACR of opportunities observed for economy of operations and improvement in internal controls report by September 30, 2015.
- 3.8** **Final Audit Report(s).** On or before August 30, 2015 the successful proposer will provided copies of all final audit reports as follows:

 - 3.8.1** HACR Financial Statements, Proprietary (Enterprise) Fund Type, and Auditors' Report in accordance with Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520);
 - 3.8.2** HACR Supplementary Information and Auditors' Report in accordance with Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520);
 - 3.8.3** HACR Supplementary Information and Auditors' Report (with Financial Data Schedules per HUD's specifications) in accordance with Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520).
 - 3.8.4** Desert Rose Apartments Financial Statement, Proprietary (Enterprise) Fund Type and Auditors' Report: Nine (9) bound copies, one (1) unbound and unstapled copy, and one electronic version in accordance with Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520).

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- 3.8.5 Similar deadlines will be established for the work pertaining to ensuing FY's ("similar" meaning the days will be the same but the years will adjust accordingly).
- 3.8.6 Once completed, the successful proposer will be required to submit to the HACR a total of 10 copies of the Single Audit Report.
- 3.8.7 The successful proposer shall conduct the audit in full conformance with OMB Circular A-133.
- 3.8.8 The successful proposer shall perform the agreed upon procedures related to the Financial Data Schedule (FDS) submission process to the Real Estate Assessment Center (REAC); and must have obtained the required REAC user access and Unique Item Identifier. (UII) Number from HUD.
- 3.8.9 In addition to the audit of the basic financial statements, and the requirements of the Single Audit Acts and OMB Circular A-133, the succesful proposer may be required to perform the following:
 - 3.8.9.1 Form SF-SAC - The successful proposer will also be required to prepare and electronically submit, by the due date each year, to the Bureau of Census a Data Collection Form (Form SF-SAC) along with the audited financial statements and comply with all the requirements.

3.10 **Current/Previous Contractor.** The HACR's most current contractor for these services is Smith Marion and Company.

4.0 PROPOSAL FORMAT.

4.1 **Tabbed Proposal Submittal:** The HACR intends to retain the successful proposer pursuant to a "Best Value" basis, not a "Low Proposal" basis ("Best Value," in that the HACR will, as detailed within the following Section 5.0, consider factors other than just cost in making the award decision). Therefore, so that the HACR can properly evaluate the offers received, all proposals submitted in response to this RFP must be formatted in accordance with the sequence noted below. Each category must be separated by numbered index dividers or tabs (which number extends so that each tab can be located without opening the proposal) and labeled with the corresponding tab reference also noted below. None of the proposed services may conflict with any requirement the HACR has published herein or has issued by addendum.

[Table No. 1]

RFP Section	Tab No.	Description
4.1.1	1	Form of Proposal. This Form is attached hereto as Attachment A to this RFP document and incorporated herein by this reference. This 1-page Form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.
4.1.2	2	Form HUD-5369-C (8/93), <i>Certifications and Representations of</i>

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		Offerors, Non-Construction Contract. This Form is attached hereto as Attachment B to this RFP document and incorporated herein by this reference. This 2-page Form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.
4.1.3	3	Profile of Firm Form. The Profile of Firm Form is attached hereto as Attachment C to this RFP document and incorporated herein by this reference. This 2-page Form must be fully completed, executed and submitted under this tab as a part of the proposal submittal.
4.1.4	4	Proposed Services. As more fully detailed within Section 3.0, <i>Scope of Work/Technical Specifications</i> , of this document, the proposer shall, at a minimum, clearly detail within the information submitted under this tab documentation the following:
4.1.4.1		As detailed within Section 5.1, Evaluation Factor No. 2, herein, the proposer's Demonstrated Understanding of HACR's Requirements.
4.1.4.2		As detailed within Section 5.1, Evaluation Factor No. 3, herein, the proposer's Technical Approach (including, if appropriate, labor categories, estimated hours and skill mix) and the proposer's proposed Work Plan to provide the required services.
4.1.4.3		As detailed within Section 5.1, Evaluation Factor No. 4, herein, the proposer's Technical Capabilities (in terms of personnel, equipment and materials) and Management Plan (including staffing of key positions, method of assigning work and procedures for maintaining level of service, etc.).
4.1.4.4		As detailed within Section 5.1, Evaluation Factor No. 5, herein, the proposer's Demonstrated Experience in performing similar work and the proposer's Demonstrated Successful Past Performance (including meeting costs, schedules and performance requirements) of contract work substantially similar to that required by this solicitation.
4.1.4.5		If appropriate, how staff are retained, screened, trained and monitored.
4.1.4.6		The proposed quality control program.
4.1.4.7		An explanation and copies of forms that will be used and reports that will be submitted and the method of submission of such reports (i.e. written; fax; internet; etc.).
4.1.4.8		A complete description of the products and services the firms provides.
4.1.5	5	Managerial Capacity/Financial Viability. The proposer entity must submit under this tab a concise description of its managerial and financial capacity to deliver the proposed services, including brief professional resumes for the persons identified within areas (5) and (6) of Attachment C, <i>Profile of Firm Form</i> . Such information shall include the proposer's qualifications to provide the services; a description of the background and current organization of the firm.
4.1.6	6	Client Information. The proposer shall submit a listing of former or current clients, including any other Public Housing Authority, for whom the proposer has performed similar or like services to those being proposed herein. The listing shall, at a minimum, include:
4.1.6.1		The client's name;
4.1.6.2		The client's contact name;
4.1.6.3		The client's telephone number;
4.1.6.4		A brief description and scope of the service(s) and the dates the services were provided.
4.1.7	7	Equal Employment Opportunity/Supplier Diversity. The proposer

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		must submit under this tab a copy of its Equal Opportunity Employment Policy and a complete description of the positive steps it will take to ensure compliance, to the greatest extent feasible, with the regulations detailed within the following Section 4.6 herein pertaining to supplier diversity (e.g. small, minority-, and women-owned businesses).
4.1.8	8	Subcontractor/Joint Venture Information (Optional Item). The proposer shall identify hereunder whether or not he/she intends to use any subcontractors for this job, if awarded, and/or if the proposal is a joint venture with another firm. Please remember that all information required from the proposer under the preceding tabs must also be included for any major subcontractors (10% or more) or from any joint venture.
4.1.9	9	Section 3 Business Preference Documentation (Optional Item). For any proposer claiming a Section 3 Business Preference, he/she shall under this tab include the fully completed and executed Section 3 Business Preference Certification Form, attached hereto as Attachment D and incorporated herein by this reference, and any documentation required by that form.
4.1.10	10	Other Information (Optional Item). The proposer may include hereunder any other general information that the proposer believes is appropriate to assist the HACR in its evaluation.
4.1.11		No Information Placed under a Tab. If no information is to be placed under any of the above noted tabs (especially the "Optional" tabs), please place there under a statement such as "NO INFORMATION IS BEING PLACED UNDER THIS TAB" or "THIS TAB LEFT INTENTIONALLY BLANK." DO NOT eliminate any of the tabs.
4.1.12		Proposal Submittal Binding Method. It is preferable and recommended that the proposer bind the proposal submittals in such a manner that the HACR can, if needed, remove the binding (i.e. "comb-type;" etc.) or remove the pages from the cover (i.e. 3-ring binder; etc.) to make copies, and then conveniently return the proposal submittal to its original condition.

4.2 Entry of Proposed Fees. The proposed fees shall be submitted by the proposer and received by the HACR where provided. Unless otherwise stated, the proposed fees are all-inclusive of all related costs that the Proposer will incur to provide the noted services, including, but not limited to: employee wages and benefits; clerical support; overhead; profit; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; document copying not specifically agreed to by the HACR; etc.

[Table No. 2]

RFP Section	Item No.	Qty	U/M	Description
3.2.1	1	1	Each	Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2015
3.2.2	2	1	Each	Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2016

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3.2.3	3	1	Each	Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2017
3.2.4	4	20	Hours	Consultant (for additional work that the HACR will require the successful proposer to provide that is not already provided for herein)

4.3 Additional Information Pertaining to the Pricing Items.

4.3.1 Quantities. All quantities entered by the HACR herein and within the corresponding Pricing Items are for calculating purposes only. As may be further detailed herein, the HACR does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this RFP, as the HACR anticipates that the ensuing contract will be a Requirements Contract, in that the HACR shall retain one Contractor only and shall retain the right to order from that Contractor (successful proposer) any amount of services the HACR requires.

4.3.2 Assumption. It shall be the HACR's assumption that the successful proposer has based his/her proposed pricing for Pricing Items No. 1-4 upon the proposed fees submitted by the proposer (and by submitting a proposal in response to this RFP, the successful proposer automatically agrees that such is accurate). Accordingly, the HACR may use such assumption, if necessary, to do any lump-sum proposal breakdown calculations during the term of the ensuing contract.

4.3.2.1 Realistic Cost for Pricing Item No. 4. Each proposer is strongly encouraged to enter where provided a realistic hourly cost for all Pricing Items, especially for Pricing Item No. 4. For instance, if the successful proposer enters \$.01 per hour for this Pricing Item (proposers typically do so in an effort to improve their position in regards to Evaluation Factor No. 1, as detailed within Table No. 4 herein), then the \$.01 per hour is what the successful proposer will charge the HACR for any additional work that the HACR may retain the successful proposer to provide if the HACR deems such retention is in the HACR's best interests to do so. Accordingly, it is the HACR's opinion that it is very much in the best interests of the proposer to propose a realistic hourly fee for this Pricing Item. If, despite this warning, the successful proposer proposes an hourly fee that the HACR deems is not realistic, then the HACR reserves the right to require the successful proposer to, at contract execution, present a cash bond in a suitable amount (e.g. \$2,000.00) to ensure that the successful proposer will fulfill his/her obligation in this matter.

4.4 Proposal Submission: All proposals must be submitted and time-stamped received in the designated HACR office by no later than the submittal deadline stated herein (or within any ensuing addendum). A total of 1 original signature copy (marked

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"ORIGINAL") and 2 exact copies (each of the 3 proposal submittals shall have a cover and extending tabs) of the proposal submittal, shall be placed unfolded in a sealed package and addressed to:

***Housing Authority of the County of Riverside (HACR)
Attention: Erlan Gonzalez
Contracting Officer
5555 Arlington Avenue
Riverside, CA 92504***

The package exterior must clearly denote the following, "**RFP No. 2014-001 for Financial Audit Services**" and must have the proposer's name and return address. Proposals received after the published deadline will not be accepted. Email delivery shall not be a substitute for or waive physical delivery of the bid by the deadline.

- 4.4.1 Submission Conditions.** DO NOT FOLD OR MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED! Proposers are not allowed to change any requirements or forms contained herein, either by making or entering onto these documents or the documents submitted any revisions or additions; and if any such additional marks, notations or requirements are entered on any of the documents that are submitted to the HACR by the proposer, such may invalidate that proposal. If, after accepting such a proposal, the HACR decides that any such entry has not changed the intent of the proposal that the HACR intended to receive, the HACR may accept the proposal and the proposal shall be considered by the HACR as if those additional marks, notations or requirements were not entered on such. By accessing the noted Internet System, registering and downloading these documents, each prospective proposer that does so is thereby agreeing to confirm all notices that the HACR delivers to him/her as instructed, and by submitting a proposal, the proposer is thereby agreeing to abide by all terms and conditions published herein and by addendum pertaining to this RFP.
- 4.4.2 Submission Responsibilities.** It shall be the responsibility of each proposer to be aware of and to abide by all dates, times, conditions, requirements and specifications set forth within all applicable documents issued by the HACR, including the RFP document, the documents listed within the following Section 4.7, and any addenda and required attachments submitted by the proposer. By virtue of completing, signing and submitting the completed documents, the proposer is stating his/her agreement to comply with all conditions and requirements set forth within those documents. Written notice from the proposer not authorized in writing by the CO to exclude any of the HACR requirements contained within the documents may cause that proposer to not be considered for award.
- 4.5 Proposer's Responsibilities—Contact with the HACR.** It is the responsibility of the proposer to address all communication and correspondence pertaining to this RFP process to the Contracting Officer, identified in Section 4.4, only. Proposers must not make inquiry or communicate with any other HACR staff member or official (including

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members of the Board of Commissioners) pertaining to this RFP. Failure to abide by this requirement may be cause for the HACR to not consider a proposal submittal received from any proposer who has not abided by this directive.

4.5.1 Addendums. All questions and requests for information must be addressed in writing to the Contracting Officer. The Contracting Officer will respond to all such inquiries in writing by addendum to all prospective proposers (i.e. firms or individuals that have obtained the RFP Documents). During the RFP solicitation process, the Contracting Officer will NOT conduct any *ex parte* (a substantive conversation—"substantive" meaning, when decisions pertaining to the RFP are made—between the HACR and a prospective proposer when other prospective proposers are not present) conversations that may give one prospective proposer an advantage over other prospective proposers. This does not mean that prospective proposers may not call the Contracting Officer—it simply means that, other than making replies to direct the prospective proposer where his/her answer has already been issued within the solicitation documents, the Contracting Officer may not respond to the prospective proposer's inquiries but will direct him/her to submit such inquiry in writing so that the Contracting Officer may more fairly respond to all prospective proposers in writing by addendum.

4.6 Proposer's Responsibilities—Equal Employment Opportunity and Supplier Diversity. Both the successful proposer and the HACR have, pursuant to HUD regulation, certain responsibilities pertaining to the hiring and retention of personnel and subcontractors.

4.6.1 Within **24 CFR 85.36(e)** it states:

4.6.1.1 (e) Contracting with small and minority firms, women's business enterprise and labor surplus area firms.

4.6.1.2 (1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

4.6.1.3 (2) Affirmative steps shall include:

4.6.1.3.1 (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

4.6.1.3.2 (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

4.6.1.3.3 (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit

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maximum participation by small and minority business, and women's business enterprises;

4.6.1.3.4 (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

4.6.1.3.5 (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

4.6.1.3.6 (vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

4.6.2 Within HUD Procurement Handbook 7460.8 REV 2 it states:

4.6.2.1 Section 15.5.A, Required Efforts. Consistent with Presidential Orders 11625, 12138, and 12432, the HACR shall make every effort to ensure that small businesses, MBEs, WBEs, and labor surplus area businesses participate in HACR contracting.

4.6.2.2 Section 15.5.B, Goals. The HACR is encouraged to establish goals by which they can measure the effectiveness of their efforts in implementing programs in support of . . . contracting with disadvantaged firms. It is important to ensure that the means used to establish these goals do not have the effect of limiting competition and should not be used as mandatory set-aside or quota, except as may otherwise be expressly authorized in regulation or statute. Some localities have adopted minority contracting set-aside policies or geographic limitations, which may be in conflict with Federal requirements for full and open competition.

4.6.3 Within our HACR Procurement Policy it states that our HACR will:

4.6.3.1 Assistance to Small and Other Business, Required Efforts:

4.6.3.1.1 Including such firms, when qualified, on solicitation mailing lists;

4.6.3.1.2 Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;

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- 4.6.3.1.3 Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- 4.6.3.1.4 Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- 4.6.3.1.5 Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;
- 4.6.3.1.6 Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR Part 135 (so-called Section 3 businesses); and
- 4.6.3.1.7 Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.

4.6.4 Requirements. Accordingly, please see Section 4.1.7 within Table No. 1 herein which details the information pertaining to this issue that the bidder must submit in response to this bid showing compliance, to the greatest extent feasible, with these regulations.

4.7 Recap of Attachments. It is the responsibility of each proposer to verify that he/she has downloaded the following attachments pertaining to this RFP, which are hereby incorporated into this RFP by reference::

[Table No. 3]

RFP Section	Document No.	Attachment	Attachment Description
4.7.1	1.0		This RFP Document
4.7.2	2.0	A	Form of Proposal
4.7.3	3.0	B	form HUD-5369-C (8/93), <i>Certifications and Representations of Offerors, Non-Construction Contract</i>
4.7.4	4.0	C	Profile of Firm Form
4.7.5	5.0	D	Section 3 Submittal Form
4.7.5.1	5.1	D-1	Section 3 Business Performance Clause
4.7.6	6.0	E	form HUD-5369-B (8/93), <i>Instructions to Offerors, Non-Construction</i>
4.7.7	7.0	F	Form HUD 5370-C1, General Conditions for

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			Non-Construction Contracts
4.7.8	8.0	G	HACR Sample Contract Form (please note that this contract and the noted appendices are being given as a sample only--the HACR reserves the right to revise any clause herein and/or to include within the ensuing contract any additional clauses that the HACR feels it is in its best interests to do so)
4.7.9	9.0	H	<i>Financial Statements for the Year Ended June 30, 2013 and Reports on Internal Control and Compliance</i>
4.7.10	10.0	I	Proposed Fee Table
4.7.11	11.0	J	Form HUD 51915-A, <i>Contract Provisions Required by Federal Law or Owner Contract with the U.S. Department of Housing and Urban Development</i>

5.0 PROPOSAL EVALUATION.

5.1 Evaluation Factors. The following factors will be utilized by the HACR to evaluate each proposal submittal received; award of points for each listed factor will be based upon the documentation that the proposer submits within his/her proposal submittal:

[Table No. 4]

NO.	MAX POINT VALUE	FACTOR TYPE	FACTOR DESCRIPTION
1	30 points	Objective	The PROPOSED COSTS the proposer proposes to charge the HACR.
2	15 points	Subjective (Technical)	The proposer's DEMONSTRATED UNDERSTANDING of the REQUIREMENT.
3	15 points	Subjective (Technical)	The APPROPRIATENESS of the TECHNICAL APPROACH and the QUALITY of the SERVICES PROPOSED.
4	15 points	Subjective (Technical)	The proposer's TECHNICAL CAPABILITIES (in terms of personnel) and the MANAGEMENT PLAN (including the ability to provide the services detailed herein).
5	15 points	Subjective (Technical)	The proposer's DEMONSTRATED EXPERIENCE in performing similar work and the proposer's DEMONSTRATED SUCCESSFUL PAST PERFORMANCE (including meeting costs, schedules and performance requirements) of contract work substantially similar to that required by this solicitation as verified by reference checks or other means.
6	10 points	Subjective (Technical)	The OVERALL QUALITY and PROFESSIONAL APPEARANCE OF THE PROPOSAL SUBMITTED , based upon the opinion of the evaluators.
	100 points		Total Points (other than preference points)

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5.2 Preference Evaluation Factor. The following factors will be utilized by the CO to evaluate each proposal submittal received:

[Table No. 4a]

NO.	MAX POINT VALUE	FACTOR TYPE	FACTOR DESCRIPTION
7		Objective	SECTION 3 BUSINESS PREFERENCE PARTICIPATION. A firm may qualify for Section 3 status as detailed within Attachments D and D-1 (NOTE: A max of 15 points awarded).
7a	15 points		Priority I, Category 1a. Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the Section 3-covered assistance is expended.
7b	13 points		Priority II, Category 1b. Business concerns whose workforce includes 30 percent of residents of the housing development for which the Section 3-covered assistance is expended, or within three (3) years of the date of first employment with the business concern, were residents of the Section 3-covered housing development.
7c	11 points		Priority III, Category 2a. Business concerns that are 51 percent or more owned by residents of any other housing development or developments.
7d	9 points		Priority IV, Category 2b. Business concerns whose workforce includes 30 percent of residents of any other public housing development or developments, or within three (3) years of the date of first employment with the business concern, were "Section 3" residents of any other public housing development.
7e	7 points		Priority V, Category 3. Business concerns participating in HUD Youth-build programs being carried out in the metropolitan area in which the Section 3-covered assistance is expended.
7f	5 points		Priority VI, Category 4a. Business concerns that are 51 percent or more owned by Section 3 residents in the metropolitan area, or whose permanent, full-time workforce includes no less than 30 percent of Section 3 residents in the metropolitan area, or within three (3) years of the date of employment with the business concern, were Section 3 residents in the metropolitan area.
7g	3 points		Priority VII, Category 4b. Business concerns that subcontract in excess of 25 percent of the total amount of subcontracts to Section 3 business concerns.

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7h	15 points	Maximum Available Preference Points (Additional)
115 points	Total Possible Points	

5.3 Evaluation Method.

5.3.1 Initial Evaluation for Responsiveness. Each proposal received will first be evaluated for responsiveness (i.e. meets the minimum of the requirements).

5.3.2 Evaluation Packet. An evaluation packet will be prepared for each evaluator, including the following documents:

- 5.3.2.1 Instructions to Evaluators;
- 5.3.2.2 Proposal Tabulation Form;
- 5.3.2.3 Written Narrative Form for each proposer;
- 5.3.2.4 Recap of each proposer's responsiveness;
- 5.3.2.5 Copy of all pertinent RFP documents.

5.3.3 Evaluation Committee. The HACR anticipates that it will select a minimum of a three-person committee to evaluate each of the responsive "hard copy" proposals submitted in response to this RFP. PLEASE NOTE: No proposer shall be informed at any time during or after the RFP process as to the identity of any evaluation committee member. If, by chance, a proposer does become aware of the identity of such person(s), he/she SHALL NOT make any attempt to contact or discuss with such person anything related to this RFP. As detailed within Section 4.5 of this document, the designated CO is the only person at the HACR that the proposers shall contact pertaining to this RFP. Failure to abide by this requirement may (and most likely will) cause such proposer(s) to be eliminated from consideration for award.

5.3.4 Evaluation. The CO will evaluate and award points pertaining to Evaluation Factors No. 1 and 7 (including 7a-7h) (the "Objective" Factors). The appointed evaluation committee, independent of the CO or any other person at the HACR, shall evaluate the responsive proposals submitted and award points pertaining to Evaluation Factors No. 2, 3, 4, 5 and 6 (the "Subjective" Factors). Upon final completion of the proposal evaluation process, the evaluation committee will forward the completed evaluations to the CO.

5.3.4.1 Points Awarded Range. Pertaining to the Subjective Factors, please note the following range of points awarded (points pertaining to this RFP are shaded--please also see the Evaluation Factors detailed within the preceding Section 5.1):

[Table No. 5]

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Points Awarded Range								
	5	10	15	20	25	30	35	50
Excellent	5	10	15	19-20	24-25	29-30	34-35	42-50
Very Good	5	9	14	18	23	27-28	32-33	32-40
Good	4	9	13	17	21-22	25-26	30-31	35-39
Average	4	7-8	12	16	20	24	28-29	9-16
Poor	0-3	0-6	0-11	0-15	0-19	0-23	0-27	0-8

5.3.5 Potential "Competitive Range" or "Best and Finals" Negotiations. The HACR reserves the right to, as detailed within Section 7.2.N through Section 7.2.R of HUD Procurement Handbook 7460.8 REV 2, conduct a "Best and Finals" Negotiation, which may include oral interviews, with all firms deemed to be in the competitive range. Any firm deemed not to be in the competitive range shall be notified of such in writing by the HACR in as timely a manner as possible, but in any case within no longer than 10 days after the beginning of such negotiations with the firms deemed to be in the competitive range.

5.3.6 Determination of Top-ranked Proposer. Typically, the subjective points awarded by the evaluation committee will be combined with the objective points awarded by the Contracting Officer (CO) to determine the final rankings, which is typically forwarded by the CO to the HACR Executive Director (ED) for approval. If the evaluation was performed to the satisfaction of the ED, the final rankings may be forwarded to the Housing Authority Board of Commissioners (BOC) at a scheduled meeting for approval. Contract negotiations may, at the HACR's option, be conducted prior to or after the BOC approval.

5.3.6.1 Minimum Evaluation Results. To be considered to receive an award a proposer must receive a total calculated average of at least 70 points (of the 115 total possible points detailed within Section 5.1 herein).

5.3.6.2 Ties. In the case of a tie in points awarded, the award shall be decided as detailed within Section 6.12.C of HUD Procurement Handbook 7460.8 REV 2, by "drawing lots or other random means of selection."

5.3.7 Notice of Results of Evaluation. If an award is completed, all proposers will receive by e-mail a Notice of Results of Evaluation. Such notice shall inform all proposers of:

5.3.7.1 Which proposer received the award;

5.3.7.2 Where each proposer placed in the process as a result of the evaluation of the proposals received;

5.3.7.3 The cost or financial offers received from each proposer;

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5.3.7.4 Each proposer's right to a debriefing and to protest.

5.3.8 **Restrictions.** All persons having familial (including in-laws) and/or employment relationships (past or current) with principals and/or employees of a proposer entity will be excluded from participation on the HACR evaluation committee. Similarly, all persons having ownership interest in and/or contract with a proposer entity will be excluded from participation on the HACR evaluation committee.

6.0 CONTRACT AWARD:

6.1 **Contract Award Procedure:** If a contract is awarded pursuant to this RFP, the following detailed procedures will be followed:

6.1.1 By completing, executing and submitting the Proposal Submittal Checklist, Attachment A, the "proposer is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the HACR, in hard copy, including an agreement to execute the attached Sample Service Contract Form (Attachment G)." The contract clauses already attached as Attachment F also apply. Accordingly, the HACR has no responsibility to conduct after the submittal deadline any negotiations pertaining to the contract clauses already published.

6.1.2 Depending on the amount of the award (typically for amounts greater than \$75,000), the HACR will forward the Financial Audit Services Agreement to the HACR Board of Commissioners (BOC) for approval prior to signing the Agreement.

6.1.3 The contract shall be awarded upon a resolution or minute order to that effect duly adopted by the HACR BOC. Execution of the contract documents shall constitute a written memorial thereof.

6.2 **Contract Award – Service Timeframe.** After contract award the service timeframe (period of time when services will be provided) shall run for the HACR fiscal year (July 1 through June 30). This will constitute a "Contract Period."

6.3 **Contract Conditions:** The following provisions are considered mandatory conditions of any contract award made by the HACR pursuant to this RFP:

6.3.1 **Contract Form:** The HACR will not execute a contract on the successful proposer's form--contracts will only be executed on the HACR form (Sample Service Contract Form, Attachment G), and by submitting a proposal the successful proposer agrees to do so (please note that the HACR reserves the right to amend this Agreement form as the HACR deems necessary).

6.3.1.1 **HUD Forms.** Please note that the HACR has no legal right or ability to (and will not) at any time negotiate any clauses

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contained within ANY of the HUD forms included as a part of this RFP.

6.3.2 Assignment of Personnel. The HACR shall retain the right to demand and receive a change in personnel assigned to the work if the HACR believes that such change is in the best interest of the HACR and the completion of the contracted work.

6.3.3 Unauthorized Sub-Contracting Prohibited. The Contractor shall not assign any right, nor delegate any duty for the work proposed pursuant to this RFP (including, but not limited to, selling or transferring the contract) without the prior written consent of the CO. Any purported assignment of interest or delegation of duty, without the prior written consent of the CO shall be void and may result in the cancellation of the contract with the HACR, or may result in the full or partial forfeiture of funds paid to the Contractor as a result of the proposed contract; either as determined by the CO.

6.4 Contract Period. The HACR anticipates that it will initially award a contract for the period of 1 year with the option, at the HACR's sole discretion, of 2 additional one-year extension periods, for a maximum total of 3 years. The specific terms of such extensions shall be determined in the underlying contract.

6.5 Insurance. Prior to award, but not as a part of the proposal submission, the successful proposer shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of the Financial Audit Service Contract, without limiting diminishing the contractor's obligation to indemnify or hold the Authority harmless. As respects to the insurance section only, the AUTHORITY herein refers to the Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

6.5.1 Workers' Compensation: If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the AUTHORITY.

6.5.2 Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, employment practices liability, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR's performance of its obligations hereunder. Policy shall name the AUTHORITY, as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such

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insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

6.5.3 **Vehicle Liability:** If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit. Policy shall name the AUTHORITY, as Additional Insureds.

6.5.4 **Professional Liability:** Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Contract, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Contract and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Contract; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

6.5.5 **General Insurance Provisions - All lines:**

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- b. The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County of Riverside Risk Manager before the commencement of operations under this Contract. Upon notification of self-insured retention unacceptable to the AUTHORITY, and at the election of the County's Risk Manager, CONTRACTOR's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Contract with the AUTHORITY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to furnish the AUTHORITY with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of

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Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the AUTHORITY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall terminate forthwith, unless the AUTHORITY receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. **CONTRACTOR shall not commence operations until the AUTHORITY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section, showing that such insurance is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.**

- d. It is understood and agreed to by the parties hereto that the CONTRACTOR's insurance shall be construed as primary insurance, and the AUTHORITY's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- e. If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Contract, including any extensions thereof, exceeds five (5) years; the AUTHORITY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Contract, if in the County of Riverside's Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.
- f. CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.
- g. The insurance requirements contained in this Contract may be met with a program(s) of self-insurance acceptable to the AUTHORITY.
- h. CONTRACTOR agrees to notify AUTHORITY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Contract.

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6.6 Licensing Requirements. Prior to award (but not as a part of the proposal submission) the *successful proposer* will be required to provide the following:

6.6.1 City/County Business License. If applicable, a copy of the proposer's business license allowing that entity to provide such services within the City of Riverside, CA.

6.6.2 State Business License. If applicable, a copy of the proposer's license issued by the State of California licensing authority allowing the proposer to provide the services detailed herein.

6.6.3 Profile of Firm Form. The requested related information shall also be entered where provided for on the Profile of Firm Form (DO NOT ATTACH SUBMIT COPIES WITHIN THE PROPOSAL SUBMITTAL--we will garner the necessary certificates from the successful proposer prior to contract execution).

6.6 Right to Negotiate Final Fees. The HACR shall retain the right to negotiate the amount of fees that are paid to the Contractor, meaning the fees proposed by the top-rated proposer may, at the HACR's options, be the basis for the beginning of negotiations. Such negotiations shall begin after the HACR has chosen a top-rated proposer. If such negotiations are not, in the opinion of the CO successfully concluded within 5 business days, the HACR shall retain the right to end such negotiations and begin negotiations with the next-rated proposer. The HACR shall also retain the right to negotiate with and make an award to more than one proposer, as long as such negotiation(s) and/or award(s) are addressed in the above manner (i.e. top-rated first, then next-rated following until a successful negotiation is reached).

6.7 Contract Service Standards. All work performed pursuant to this RFP must conform and comply with all applicable local, state and federal codes, statutes, laws and regulations.

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[Table No. 6]

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ATTACHMENT A

“FORM OF PROPOSAL”

(This Form must be fully completed and placed under Tab No. 1 of the “hard copy” tabbed proposal submittal.)

Instructions: Unless otherwise specifically required, the items listed below must be completed and included in the proposal submittal. Please complete this form by marking an “X,” where provided, to verify that the referenced completed form or information has been included within the “hard copy” proposal submittal submitted by the proposer. Also, complete the Section 3 Statement and the Proposer’s Statement as noted below:

X=ITEM INCLUDED	SUBMITTAL ITEMS <i>(Three copies of each proposal, including one with original signatures)</i>
_____	Tab 1 Form of Proposal (Attachment A)
_____	Tab 2 HUD Forms (Attachments; B, E, F, J)
_____	Tab 3 Profile of Firm Form (Attachment C)
_____	Tab 4 Proposed Services
_____	Tab 5 Managerial Capacity/Financial Viability, including resumes
_____	Tab 6 Client Information
_____	Tab 7 Equal Employment Opportunity Statement
_____	Tab 8 Equipment (Optional)
_____	Tab 9 Section 3 Business Preference Documentation (Optional)
_____	Tab 10 Other Information (Optional)

SECTION 3 STATEMENT

Are you claiming a Section 3 business preference? YES___ or NO___. If “YES,” pursuant to the Section 3 portion within the Conditions and Specifications, and pursuant to the documentation justifying such submitted under Tab No. 9, which priority are you claiming? _____.

PROPOSER’S STATEMENT

The undersigned proposer hereby states that by completing and submitting this Form and all other documents within this proposal submittal, he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and that if the HA discovers that any information entered herein to be false, such shall entitle the HA to not consider or make award or to cancel any award with the undersigned party. Further, by completing and submitting the proposal submittal, and by entering and submitting the costs where provided within the noted Internet System, the undersigned proposer is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the HA, either in hard copy or on the noted Internet System, including an agreement to execute the attached Sample Contract form. Pursuant to all RFP Documents, this Form of Proposal, and all attachments, and pursuant to all completed Documents submitted, including these forms and all attachments, the undersigned proposes to supply the HA with the services described herein for the fee(s) entered within the areas provided within the noted Internet System pertaining to this RFP.

Signature

Date

Printed Name

Company

ATTACHMENT B

Form HUD-5369-C

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**ATTACHMENT C
"PROFILE OF FIRM FORM"**

(This Form must be fully completed and placed under Tab No. 3 of the "hard copy" tabbed proposal submittal.)

(1) Prime ____ Sub-contractor ____ (This form must be completed by and for each).

(2) Name of Firm: _____ Telephone: _____ Fax: _____

(3) Street Address, City, State, Zip: _____

(4) Please attached a brief biography/resume of the company, including the following information:
(a) Year Firm Established; (b) Year Firm Established in [JURISDICTION]; (c) Former Name and Year Established (if applicable); (d) Name of Parent Company and Date Acquired (if applicable).

(5) Identify Principals/Partners in Firm (submit under Tab No. 5 a brief professional resume for each):

NAME	TITLE	% OF OWNERSHIP

(6) Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on project; please submit under Tab No. 5 a brief resume for each. (Do not duplicate any resumes required above):

NAME	TITLE

(7) Proposer Diversity Statement: You must circle all of the following that apply to the ownership of this firm and enter where provided the correct percentage (%) of ownership of each:

Caucasian American (Male) _____%
 Public-Held Corporation _____%
 Government Agency _____%
 Non-Profit Organization _____%

Resident- (RBE), Minority- (MBE), or Woman-Owned (WBE) Business Enterprise (Qualifies by virtue of 51% or more ownership and active management by one or more of the following:

Resident-Owned* _____%
 African American _____%
 **Native American _____%
 Hispanic American _____%
 Asian/Pacific American _____%
 Hasidic Jew _____%
 Asian/Indian American _____%

Woman-Owned (MBE) _____%
 Woman-Owned (Caucasian) _____%
 Disabled Veteran _____%
 Other (Specify): _____%

WMBE Certification Number: _____

Certified by (Agency): _____

(NOTE: A CERTIFICATION/NUMBER NOT REQUIRED TO PROPOSE - ENTER IF AVAILABLE)

Signature Date Printed Name Company

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- (8) Federal Tax ID No.: _____
- (9) [APPROPRIATE JURISDICTION] Business License No.: _____
- (10) State of _____ License Type and No.: _____
- (11) Worker's Compensation Insurance Carrier: _____
Policy No.: _____ Expiration Date: _____
- (12) General Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____
- (13) Professional Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____
- (14) Debarred Statement: Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of _____, or any local government agency within or without the State of _____? Yes No
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (15) Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner or Officer of the HA? Yes No
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (16) Non-Collusive Affidavit: The undersigned party submitting this proposal hereby certifies that such proposal is genuine and not collusive and that said proposer entity has not colluded, conspired, connived or agreed, directly or indirectly, with any proposer or person, to put in a sham proposal or to refrain from proposing, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price of affiant or of any other proposer, to fix overhead, profit or cost element of said proposal price, or that of any other proposer or to secure any advantage against the HA or any person interested in the proposed contract; and that all statements in said proposal are true.
- (17) Verification Statement: The undersigned proposer hereby states that by completing and submitting this form he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and agrees that if the HA discovers that any information entered herein is false, that shall entitle the HA to not consider nor make award or to cancel any award with the undersigned party.

Signature Date Printed Name Company

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ATTACHMENT D

**"CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3 BUSINESS PREFERENCE
IN CONTRACTING AND DEMONSTRATION OF CAPABILITY"**

(This Form must be fully completed and placed under Tab No. 9 of the "hard copy" tabbed proposal submittal.)

NAME OF BUSINESS: _____

ADDRESS OF BUSINESS: _____

TYPE OF BUSINESS: Corporation Partnership Sole Proprietorship Joint Venture

Attached is the following documentation as evidence of status:

For business claiming status as a Section 3 resident-owned Enterprise:

Copy of resident lease Other evidence Copy of evidence of participation in a public assistance program

For the business entity as applicable:

- | | |
|--|---|
| <input type="checkbox"/> Copy of Articles of Incorporation | <input type="checkbox"/> Certificate of Good Standing |
| <input type="checkbox"/> Assumed Business Name Certificate | <input type="checkbox"/> Partnership Agreement |
| <input type="checkbox"/> List of owners/stockholder and % of each | <input type="checkbox"/> Corporation Annual Report |
| <input type="checkbox"/> Latest Board minutes appointing officers | <input type="checkbox"/> Additional documentation |
| <input type="checkbox"/> Organization chart with names and titles and brief functional statement | |

For business claiming Section 3 status by subcontracting 25% of the dollar awarded to qualified Section 3 business:

List of subcontracted Section 3 business and subcontract amount

For business claiming Section 3 status, claiming at least 30% of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

- | | |
|--|---|
| <input type="checkbox"/> List of all current full time employees | <input type="checkbox"/> List of all employees claiming Section 3 status |
| <input type="checkbox"/> PHA Residential lease (less than 3 years from date of employment) | <input type="checkbox"/> Other evidence of Section 3 status (less than 3 years from date of employment) |

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

- | | |
|---|--|
| <input type="checkbox"/> Current financial statement | <input type="checkbox"/> List of owned equipment |
| <input type="checkbox"/> Statement of ability to comply | <input type="checkbox"/> List of all contracts for the past 2 years with public policy |

Effective 12/11/2012
Persons in Household

1	2	3	4	5	6	7	8
\$35,700	\$40,800	\$45,900	\$50,950	\$55,050	\$59,150	\$63,200	\$67,300

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Corporate Seal

Authorizing Name and Signature

Notary

My term expires: _____

Title

Signature

Date

Printed Name

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ATTACHMENT D-1

SECTION 3 BUSINESS PREFERENCE CLAUSE

This contract is subject to the following conditions under Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3).

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor or organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The contractor will certify that any vacant employment positions, including training positions that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprise. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

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PREFERENCE FOR SECTION 3 BUSINESS CONCERNS IN CONTRACTING OPPORTUNITIES

The HA has established the following priority for preference when providing contracting opportunities to Section 3 Businesses:

Priority I

Category 1a Business

Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the Section 3-covered assistance is expended.

Priority II

Category 1b Business

Business concerns whose workforce includes 30 percent of residents of the housing development for which the Section 3-covered assistance is expended, or within three (3) years of the date of first employment with the business concern, were residents of the Section 3-covered housing development.

Priority III

Category 2a Business

Business concerns that are 51 percent or more owned by residents of any other housing development or developments.

Priority IV

Category 2b Business

Business concerns whose workforce includes 30 percent of residents of any other public housing development or developments, or within three (3) years of the date of first employment with the business concern, were "Section 3" residents of any other public housing development.

Priority V

Category 3 Business

Business concerns participating in HUD Youth-build programs being carried out in the metropolitan area in which the Section 3-covered assistance is expended.

Priority VI

Category 4a Business

Business concerns that are 51 percent or more owned by Section 3 residents in the metropolitan area, or whose permanent, full-time workforce includes no less than 30 percent of Section 3 residents in the metropolitan area, or within three (3) years of the date of employment with the business concern, were Section 3 residents in the metropolitan area.

Priority VII

Category 4b Business

Business concerns that subcontract in excess of 25 percent of the total amount of subcontracts to Section 3 business concerns.

Eligibility for Preference

A business concern seeking to qualify for a Section 3 contracting preference shall certify or submit evidence that the business concern is a Section business concern.

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HUD directs within 24 CFR 135 that the HA may make award to qualified Section 3 business concern with the highest priority ranking and with the lowest responsive proposal if that proposal is:

- (a) Within the maximum total contract price established by the HA; or
- (b) Not more than "X" higher than the total proposal price of the lowest responsive proposal from any responsible proposer. "X" is determined as follows:

"X" = LESSOR OF:	
When the lowest responsive proposal is less than \$100,000	10% of that proposal, or \$9,000.00
When the lowest responsive proposal is at least:	
\$100,000.00, but less than \$200,000.00	9% of that proposal, or \$16,000.00
\$200,000.00, but less than \$300,000.00	8% of that proposal, or \$21,000.00
\$300,000.00, but less than \$400,000.00	7% of that proposal, or \$24,000.00
\$400,000.00, but less than \$500,000.00	6% of that proposal, or \$25,000.00
\$500,000.00, but less than \$1,000,000.00	5% of that proposal, or \$40,000.00
\$1,000,000.00, but less than \$2,000,000.00	4% of that proposal, or \$60,000.00
\$2,000,000.00, but less than \$4,000,000.00	3% of that proposal, or \$80,000.00
\$4,000,000.00, but less than \$7,000,000.00	2% of that proposal, or \$105,000.00
\$7,000,000.00, or more	1.5% of the lowest responsive and responsible proposal with no dollar limit

ATTACHMENT E

Form HUD-5369-B

ATTACHMENT F

Form HUD-5370-C1

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ATTACHMENT G
"HACR Sample Service Contract"

FINANCIAL AUDIT SERVICE CONTRACT

BY AND BETWEEN

THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

AND FIRM NAME

This CONTRACT is made by and between the **Housing Authority of the County of Riverside**, a public entity corporate and politic, hereinafter referred to as the "AUTHORITY," and **(CONTRACTOR'S NAME)**, hereinafter referred to as "CONTRACTOR."

RECITALS

WHEREAS, AUTHORITY is a Housing Authority duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provision of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code commencing with Section 34200 et seq.;

WHEREAS, pursuant to the Housing Authorities Law, AUTHORITY is authorized to make and execute contracts and other instruments necessary or convenient to exercise its powers;

WHEREAS, CONTRACTOR has the expertise, special skills, knowledge and experience to perform the duties set out herein and agrees to provide such services to AUTHORITY;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. DESCRIPTION OF SERVICES: CONTRACTOR shall furnish all labor, documents, material and equipment as outlined and specified in **Exhibit A**, scope of services, attached hereto and by this reference incorporated herein. CONTRACTOR will provide a (BRIEF DESCRIPTION OF SERVICE) for (NAME OF PROJECT).

1.1. CONTRACTOR represents and maintains that it is skilled in the professional calling necessary to perform all services, duties and obligations required by this Contract to fully and adequately complete the project. CONTRACTOR shall perform the services and duties in

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE (HACR)

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conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. CONTRACTOR further represents and warrants to the AUTHORITY that it has all licenses, permits, qualifications and approvals of whatever nature are legally required to practice its profession. CONTRACTOR further represents that it shall keep all such licenses and approvals in effect during the term of this Contract.

2. PERIOD OF PERFORMANCE: The term of this Contract shall commence from the date of execution of this Contract by the parties of this contract and shall be completed within (CALENDAR DAYS TO COMPLETE PROJECT) thereafter.

3. COMPENSATION/PAYMENT:

3.1 The AUTHORITY will compensate CONTRACTOR for all services rendered and costs incurred in accordance with the terms in Exhibit A. All employee wages paid, associated with this Contract, are subject to U.S. Department of Labor Service Contract Act Wage Determination No.: 20XX-XXXX, Revision No. XX, XX/XX/201X.

3.2 The Total amount of compensation paid to the CONTRACTOR under this Contract shall not exceed the sum of (ACCEPTED TOTAL AMOUNT OF PROJECT), unless a written amendment to this Contract is executed by both parties prior to performance of additional services, subject to written approval by the Board of Commissioners.

3.3 CONTRACTOR shall invoice the AUTHORITY once services are rendered in accordance with Exhibit A attached hereto. AUTHORITY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. AUTHORITY shall not be liable for any interest or late charges in the performance of this Contract.

4. ADDITIONAL SERVICES: The CONTRACTOR shall not perform any additional services or incur additional expense without first receiving the express written consent to proceed from the AUTHORITY in the form of an amendment to this Contract.

5. AMENDMENTS TO WORK PROGRAM: The Deputy Executive Director of AUTHORITY is authorized to approve and execute changes to the Contract to the extent such changes do not cause the total Contract to exceed \$75,000. Such changes shall be mutually agreed upon by and between the Deputy Executive Director and CONTRACTOR and shall be incorporated in written amendments to this CONTRACT.

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6. INDEPENDENT CONSULTANT: AUTHORITY retains CONTRACTOR on an independent contractor basis. CONTRACTOR is not, and shall not be considered to be in any manner, an employee, agent or representative of the AUTHORITY. Personnel performing the Services under this Contract on behalf of CONTRACTOR shall at all times be under CONTRACTOR's exclusive direction and control. CONTRACTOR shall pay all wages, salaries and other amounts due such personnel in connection with their performance of service(s) and as required by law. CONTRACTOR shall be responsible for all reports and obligations respecting such personnel, including but not limited to, social security taxes, income tax withholdings, unemployment insurance, and workers' compensation insurance.

7. SERVICE-CONTRACT ACT: For all service contracts in excess of \$2,500, whose principal purpose of which is to furnish services through the use of "service employees", both parties hereby agree to comply with the Service Contract Act, as amended (41 U.S.C. 6701, et seq.), the applicable provisions of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201, et seq.), and related Secretary of Labor regulations and instructions (29 CFR Parts 4, 6, 8, and 1925).

8. INDEMNIFICATION: CONTRACTOR shall indemnify and hold harmless the AUTHORITY, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Contract, including but not limited to property damage, bodily injury, or death, or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives from this Contract. CONTRACTOR shall defend at its sole expense, all costs and fees including, but not limited to, attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by CONTRACTOR,

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CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of AUTHORITY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any liability for the action or claim involved.

The specified insurance limits required in this Contract shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

9. INSURANCE: Without limiting or diminishing the CONTRACTOR's obligation to indemnify or hold the AUTHORITY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Contract. As respects to the insurance section only, the AUTHORITY herein refers to the Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

9.1 Workers' Compensation: If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the AUTHORITY.

9.2 Commercial General Liability: Commercial General Liability insurance coverage,

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including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, employment practices liability, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR's performance of its obligations hereunder. Policy shall name the AUTHORITY, as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

9.3 Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit. Policy shall name the AUTHORITY, as Additional Insureds.

9.4 Professional Liability: Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Contract, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Contract and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Contract; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

9.5 General Insurance Provisions - All lines:

- i. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If

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the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

- j. The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County of Riverside Risk Manager before the commencement of operations under this Contract. Upon notification of self-insured retention unacceptable to the AUTHORITY, and at the election of the County's Risk Manager, CONTRACTOR's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Contract with the AUTHORITY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- k. CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to furnish the AUTHORITY with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the AUTHORITY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall terminate forthwith, unless the AUTHORITY receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance

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required herein is in full force and effect. *CONTRACTOR shall not commence operations until the AUTHORITY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section, showing that such insurance is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*

- l. It is understood and agreed to by the parties hereto that the CONTRACTOR's insurance shall be construed as primary insurance, and the AUTHORITY's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- m. If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Contract, including any extensions thereof, exceeds five (5) years; the AUTHORITY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Contract, if in the County of Riverside's Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.
- n. CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.
- o. The insurance requirements contained in this Contract may be met with a program(s) of self-insurance acceptable to the AUTHORITY.
- p. CONTRACTOR agrees to notify AUTHORITY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Contract.

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10. GENERAL:

10.1 Any waiver by AUTHORITY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Contract. Failure on the part of AUTHORITY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing AUTHORITY from enforcement of the terms of this Contract.

10.2 In the event the CONTRACTOR receives payment under this Contract which is later disallowed by AUTHORITY for nonconformance with the terms of the Contract, the CONTRACTOR shall promptly refund the disallowed amount to the AUTHORITY on request; or at its option the AUTHORITY may offset the amount disallowed from any payment due to the CONTRACTOR.

10.3 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Contract.

10.4 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to AUTHORITY pursuant to this Contract, free from all liens, claims or encumbrances.

10.5 The AUTHORITY agrees to cooperate with the CONTRACTOR in the CONTRACTOR'S performance under this Contract, including, if stated in the Contract, providing the CONTRACTOR with reasonable facilities and timely access to AUTHORITY data, information and personnel.

10.6 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable AUTHORITY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

10.7 CONTRACTOR shall comply with all air pollution control, water pollution,

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safety and health ordinances, statutes or regulations which apply to performance under this Contract.

10.8 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

10.9 This Contract shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Contract shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location.

11. TERMINATION: AUTHORITY may, by written notice to CONTRACTOR, terminate this Contract in whole or in part at any time. Such termination may be for AUTHORITY's convenience or because of CONTRACTOR's failure to perform its duties and obligations under this Contract including, but not limited to, the failure of CONTRACTOR to timely perform services pursuant to this Contract.

11.1 Discontinuance of Services. Upon receipt of written notice of termination, CONTRACTOR shall discontinue all affected services immediately, unless otherwise directed by the notice, and deliver to the AUTHORITY all data, estimates, graphs, summaries, reports, and other related materials as may have been prepared or accumulated by CONTRACTOR in performance of services, whether completed or in progress.

11.2 Effect of Termination for Convenience. If the termination is to be for the convenience of the AUTHORITY, the AUTHORITY shall compensate CONTRACTOR for Services satisfactorily provided through the date of termination. Such payment shall include a pro-rated amount of profit, if applicable, but no amount shall be paid for anticipated profit on unperformed Services. CONTRACTOR shall provide documentation deemed adequate by AUTHORITY's representative to show the services actually completed by CONTRACTOR prior to the date of termination. This Contract shall terminate immediately upon CONTRACTOR's receipt of the written notice of termination.

11.3 Effect of Termination for Cause. If the termination is due to the failure of

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CONTRACTOR to fulfill its obligations under this Contract, CONTRACTOR shall be compensated for those services which have been completed and accepted by the AUTHORITY. In such case, the AUTHORITY may take over the work and prosecute the same to completion by contract or otherwise. Further, CONTRACTOR shall be liable to the AUTHORITY for any reasonable additional costs incurred by the AUTHORITY to revise work for which the AUTHORITY has compensated CONTRACTOR under this Contract, but which the AUTHORITY has determined in its sole discretion needs to be revised in part or whole to complete the Project. Following discontinuance of services, the AUTHORITY may arrange for a meeting with CONTRACTOR to determine what steps, if any, CONTRACTOR can take to adequately fulfill its requirements under this Contract. In its sole discretion, AUTHORITY's representative may propose an adjustment to the terms and conditions of the Contract, including the contract price. Such contract adjustments, if accepted in writing by the parties, shall become binding on CONTRACTOR and shall be performed as part of this Contract. In the event of termination for cause, unless otherwise agreed to in writing by the parties, this Contract shall terminate thirty (30) days following the date the notice of termination was mailed to the CONTRACTOR. Termination of this Contract for cause may be considered by the AUTHORITY in determining whether to enter into future contracts with CONTRACTOR.

11.4 Cumulative Remedies. The rights and remedies of the parties provided in this Section are in addition to any other rights and remedies provided by law or under these Contracts.

12. CONFLICT OF INTEREST: CONTRACTOR shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this Contract.

13. ADMINISTRATION: The AUTHORITY Deputy Executive Director (or designee) shall administer this Contract on behalf of AUTHORITY.

14. ASSIGNMENT: This Contract shall not be assigned by CONTRACTOR, either in whole or in part, without prior written consent of AUTHORITY. Any assignment or purported assignment of this Contract by CONTRACTOR without the prior written consent of AUTHORITY

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will be deemed void and of no force or effect.

15. NONDISCRIMINATION: CONTRACTOR represents that it is an equal opportunity employer and it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, physical condition, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

16. ALTERATION: No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

17. ELIGIBILITY: Services and benefits shall be provided by CONTRACTOR to individuals without reference to their religion, color, sex, sexual orientation, national origin, age or physical or mental handicap.

18. LICENSE AND CERTIFICATION: CONTRACTOR verifies upon execution of this Contract, possession of a current and valid license in compliance with any local, State, and Federal laws and regulations relative to the scope of services to be performed under Exhibit A, and that services(s) will be performed by properly trained and licensed staff.

19. CONFIDENTIALITY: CONTRACTOR shall observe all Federal, State and AUTHORITY regulations concerning confidentiality of records. CONTRACTOR shall refer all requests for information to AUTHORITY.

20. WORK PRODUCT: All reports, preliminary findings, or data assembled or compiled by CONTRACTOR under this Contract become the property of the AUTHORITY. The AUTHORITY reserves the right to authorize others to use or reproduce such materials. Therefore, such materials shall not be circulated in whole or in part, nor released to the public, without the direct authorization of the AUTHORITY Deputy Executive Director or an authorized designee.

21. MEDIATION: CONTRACTOR and AUTHORITY agree that in the event of any controversy or dispute between AUTHORITY and CONTRACTOR arising out of this Contract, regardless of the nature of the claim or dispute whether in tort, contract, or otherwise, which are not

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adequately addressed by the AUTHORITY's informal and formal dispute resolution process, if applicable, shall be submitted to mediation. The parties shall jointly select a mediator acceptable to CONTRACTOR and AUTHORITY. The mediation shall take place in the County of Riverside. Each party shall be responsible for its own legal fees and other expenses incident to the preparation for mediation. If the dispute cannot be resolved by mediation, neither AUTHORITY nor CONTRACTOR will waive their rights to bring the appropriate legal action in a court of competent jurisdiction within the County of Riverside.

22. SEVERABILITY: If any provision in this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23. COUNTERPARTS: This Contract may be signed by the different parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same contract.

24. ENTIRE CONTRACT: This Contract constitutes the entire contract between the parties hereto with respect to the subject matter hereof and all prior or contemporaneous agreements of any kind or nature relating to the same shall be deemed to be merged herein. Any modifications to the terms of this Contract must be in writing and signed by the parties herein.

25. SURVIVABILITY OF TERMS: Provisions of this Contract that are not fully performed or are not capable of being fully performed as of the date of termination will survive termination of this Contract.

26. MISCELLANEOUS: As used in this contract, the term CONTRACTOR also includes Contractor's owners, officers, employees, representatives and agents.

27. EXHIBITS: The Contract Documents means and includes, without limitation, all of the following which are incorporated herein by this reference and are made a part of this CONTRACT as if fully set forth herein. The Contract Documents consist of the following component parts:

27.1 Exhibit A: Scope of Services

27.2 Exhibit B: Form HUD-5370 CI (10/2006), General Conditions for Non-

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Construction Contracts, Section I – (With or without Maintenance Work) & Form HUD-5370 CII (10/2006), General Conditions for Non-Construction Contracts, Section II – (With Maintenance Work)

27.3 Exhibit C: U.S. Department of Labor Service Contract Act Wage Determination No.: 2005-2053, Revision No. XX, XX/XX/20XX.

28. NOTICES: All correspondence and notices required or contemplated by this Contract shall be delivered to the respective parties at the addresses set forth below and are deemed submitted one (1) day after their deposit in the United States Mail, postage prepaid:

Heidi Marshall	(CONTRACTOR SIGNEE'S NAME)
Housing Authority of the	(CONTRACTOR'S NAME)
County of Riverside	(ADDRESS)
5555 Arlington Avenue	(CITY, STATE, ZIP CODE)
Riverside, California 92504-2506	

(signatures on next page)

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IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Contract this ____ day of _____, 201X.

Company name: _____

By: _____

(CONTRACTOR'S NAME)

Title: _____

License #: _____

Housing Authority of the County of Riverside

By: _____

Heidi Marshall, Deputy Executive Director

Approved As To Form:
Pamela J. Walls
County Counsel

Jhaila R. Brown, Deputy County Counsel

Exhibit "A"
Scope of Services

ATTACHMENT H

Financial Statements

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ATTACHMENT I

"Proposed Fees"

Unless otherwise stated, the proposed fees are all-inclusive of all related costs that the Proposer will incur to provide the noted services, including, but not limited to: employee wages and benefits; clerical support; overhead; profit; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; document copying not specifically agreed to by the HACR; etc.

RFP Section	Item No.	Qty	U/M	Fee/Cost in US Dollars	Description
3.2.1	1	1	Each		Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2015
3.2.2	2	1	Each		Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2016
3.2.3	3	1	Each		Firm-fixed Fee (including expenses), Annual Audit pertaining to FY2017
3.2.4	4	20	Hours		Consultant (for additional work that the HACR will require the successful proposer to provide that is not already provided for herein)
3.2.5	Total of all Fees/Costs:				

ATTACHMENT J

FORM HUD 51915-A
***“Contract Provisions Required by Federal
Law or Owner Contract with the U.S.
Department of Housing and Urban
Development”***

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EXHIBIT "C"
HUD Form 5370-C
General Conditions for Non-Construction Contracts
(behind this page)

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Office of Labor Relations
OMB Approval No. 2577-0157 (exp. 01/31/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$100,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$100,000 – use Sections I and II.**

~~Section I - Clauses for All Non-Construction Contracts greater than \$100,000~~

1. Definitions

The following definitions are applicable to this contract:

- (a) 'Authority or Housing Authority (HA)' means the Housing Authority.
- (b) 'Contract' means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) 'Contractor' means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) 'Day' means calendar days, unless otherwise stated.
- (e) 'HUD' means the Secretary of Housing and Urban Development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

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- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
- (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

1 EXHIBIT "D"

2
3 U.S. Department of Labor Service Contract Act

4 Wage Determination No.: 2005-2053, Revision No.: 18, Date Of Revision: 12/22/2014

5 WD 05-2053 (Rev.-18) was first posted on www.wdol.gov on 12/30/2014

6 *****

7 REGISTER OF WAGE DETERMINATIONS UNDER		U.S. DEPARTMENT OF LABOR
THE SERVICE CONTRACT ACT		EMPLOYMENT STANDARDS ADMINISTRATION
By direction of the Secretary of Labor		WAGE AND HOUR DIVISION
		WASHINGTON D.C. 20210

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9		
10		Wage Determination No.: 2005-2053
11 Diane C. Koplewski		Revision No.: 18
Director		Date Of Revision: 12/22/2014

12 Note: Executive Order (EO) 13658 establishes an hourly minimum wage of \$10.10
13 for 2015 that applies to all contracts subject to the Service Contract Act
14 for which the solicitation is issued on or after January 1, 2015. If this
15 contract is covered by the EO, the contractor must pay all workers in any
16 classification listed on this wage determination at least \$10.10 (or the
applicable wage rate listed on this wage determination, if it is higher) for
all hours spent performing on the contract. The EO minimum wage rate will be
adjusted annually. Additional information on contractor requirements and
worker protections under the EO is available at www.dol.gov/whd/govcontracts.

EXHIBIT "E"

**CONTRACTOR'S FORM OF PROPOSAL
SUBMITTED IN RESPONSE TO RFP NO. 2014-001**

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HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
PROPOSED FEES
BY SMITH MARION & CO., LLP

Fiscal Year Ended June 30, 2015			
	Estimated		
	Hours	Rates	Total
Engagement Partner	75	\$ 220	\$ 16,500
Engagement Manager	120	\$ 125	\$ 15,000
Engagement Associates	120	\$ 100	\$ 12,000
Total Firm-Fixed Fee			\$ 43,500

Fiscal Year Ended June 30, 2016			
	Estimated		
	Hours	Rates	Total
Engagement Partner	75	\$ 221	\$ 16,575
Engagement Manager	120	\$ 127	\$ 15,240
Engagement Associates	120	\$ 102	\$ 12,240
Total Firm-Fixed Fee			\$ 44,055

Fiscal Year Ended June 30, 2017			
	Estimated		
	Hours	Rates	T a
Engagement Partner	75	\$ 222	\$ 16,650
Engagement Manager	120	\$ 129	\$ 15,480
Engagement Associates	120	\$ 105	\$ 12,600
Total Firm-Fixed Fee			\$ 44,730
Consultant (will depend on staff used estimated at average rate)			\$ 3,000
TOTAL OF ALL FEES			\$ 135,285