

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



ITEM
10.1
(ID # 9660)

MEETING DATE:

Tuesday, June 18, 2019

FROM : HOUSING AUTHORITY:

SUBJECT: HOUSING AUTHORITY: Approve and Accept Highest Rated Proposal for Financial Audit Services Submitted by Smith Marion & Co., Inc., and Approve the Professional Services Agreement for Financial Audit Services Between the Housing Authority of the County of Riverside and Smith Marion & Co., Inc., Three Years, [\$141,950], US 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 highest rated proposal submitted by Smith Marion & Co., Inc., a California corporation (Smith Marion) to the Housing Authority of the County of Riverside (HACR) as the most responsible and responsive proposer for the provision of financial audit services for a three year term, for a total aggregate contract amount of \$141,950 (\$45,900 year 1, \$45,900 year 2 and \$46,650 year 3, plus a one-time consultant fee of \$3,500);

Continued on page 2

ACTION:Policy

Robert Field, Assistant County Executive Officer/ECD 6/3/2019

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Commissioner Washington, seconded by Commissioner Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: June 18, 2019
xc: Housing Authority

Kecia Harper
Clerk of the Board
By:
Deputy

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

RECOMMENDED MOTION: That the Board of Commissioners:

3. Approve the attached Professional Services Agreement for Financial Audit Services (Agreement) between HACR and Smith Marion for a total contract amount of \$141,950 (\$45,900 year 1, \$45,900 year 2, and \$46,650 year 3, plus a one-time consultant fee of \$3,500);
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, subject to approval by County Counsel; and
6. Direct Housing Authority staff to file the Notice of Exemption with the County Clerk within five working days of Board approval.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$45,900	\$45,900	\$141,950	\$0
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: 19/20 20/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (Housing Authority) 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 No. 2018-003 (RFP) for financial audit services with a closing date of January 3, 2019. The financial audit services requested included general audits of the Housing Authority, HUD final audit reports, and additional financial audit services as needed. The Housing Authority received and evaluated two proposals. The evaluation of all proposals submitted in response to the RFP was conducted pursuant to the procedures for competitive proposals set forth in Section 5.7 of the Housing Authority Procurement Policy. The RFP clearly identified all evaluation factors and their relative importance. Pursuant to Section 5.7.3 of the Housing Authority Procurement Policy, the RFP was evaluated by an appropriately appointed Evaluation Committee.

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

Housing Authority staff recommend the Board of Commissioners (BOC) approve and accept the highest rated proposal submitted by Smith Marion & Co., Inc., a California corporation (Smith Marion) as the most responsible and responsive proposer for the provision of financial audit services based on the scores provided by the Evaluation Committee. Smith Marion is a highly regarded auditor that is known for their integrity and compliance with public policy. Smith Marion has an exemplary record of past performance, financial and technical resources and technical expertise. Based on past experience with their service, and the quality of their proposed staffing, their proposal is most advantageous to the Housing Authority, with price and all other factors considered.

Housing Authority staff also recommend that the BOC approve the attached proposed Professional Service Agreement for Financial Audit Services (Agreement) to be entered into between the Housing Authority and Smith Marion. The proposed Agreement is for a term of three years, with a maximum total contract amount of \$141,950 (\$45,900 year 1, \$45,900 year 2 and \$46,650 year 3, plus a one-time consultant fee of \$3,500).

Housing Authority staff recommend approval of the attached proposed Agreement. 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 Agreement may have any significant effect on the environment. The proposed action is for financial audit services and will not result in any development or physical changes to the environment. Housing Authority staff will file a Notice of Exemption with the Clerk of the Board within five working days after the approval of the proposed Agreement.

Impact on Residents 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 Housing Authority to meet its HUD obligations and better provide services to the community.

Contract History and Price Reasonableness

The Housing Authority advertised a Request for Proposals (RFP) No. 2018-003 with a proposal due date of January 3rd, 2019. The Housing Authority received and evaluated two proposals. Smith Marion was the highest rated proposer that responded to the solicitation. The cost proposed by the Smith Marion at \$141,950 compares well with their previously approved contract amount of \$135,285 in 2014, and is deemed to be appropriate, fair and reasonable.

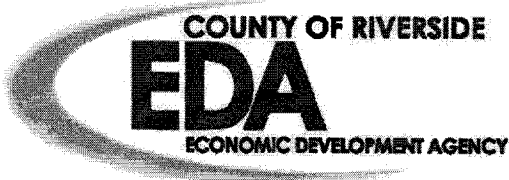
**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

ATTACHMENTS:

- Professional Services Agreement for Financial Audit Services (3)
- Notice of Exemption


Nehini Laake, Principal Management Analyst 6/10/2019


Gregory V. Priamos, Director County Counsel 6/10/2019



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

VIA H.A.
Date Initial

NOTICE OF EXEMPTION

April 16, 2019

Project Name: Financial Audit Services at HACR.

Project Number: 2018-003

Project Location: 5555 Arlington Avenue, Riverside California 92504

Description of Project: The Housing Authority of the County of Riverside (HACR) owns, operates and maintains nineteen (19) RAD Properties that are former public housing units which are occupied by low-income tenants. The US Department and Housing and Urban Development (HUD) requires that the HACR conduct an outside audit of its finances every fiscal year. This is strictly an administrative service and no new residential units will be created and the existing use of the HACR main office will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

Name of Public Agency Approving Project: Housing Authority of the County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: Housing Authority of the County of Riverside


Exempt Status: California Environmental Quality Act (CEQA) Guidelines, Section 15061 (b) (3), General Rule Exemption.

Reasons Why Project is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing HACR main office that will obtain the new financial audit service does not possess any historic significance and is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The new financial audit service will not have an effect on the environment and no significant physical environmental impacts are anticipated to occur.

- Section 15061(b)(3) – General Rule or “Common Sense” Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The new financial audit service will not increase any potential

environmental impacts. The use and operation of the site will be substantially unchanged and will not create any new environmental impacts to the surrounding area. In fact, the new financial audit service will improve both the HACR and the surrounding community. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 4/23/17

Mike Walsh, Deputy Director
County of Riverside, Economic Development Agency

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PROFESSIONAL SERVICES AGREEMENT

For

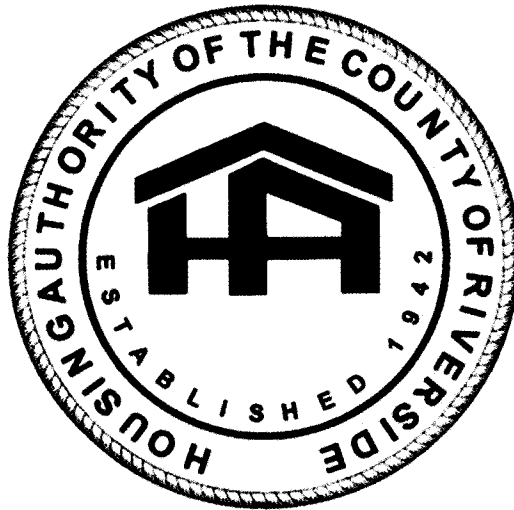
Financial Audit Services

Between

The Housing Authority of the County Of Riverside

And

Smith Marion & Co., Inc.



JUN 18 2019 10:1

1 THIS PROFESSIONAL SERVICES AGREEMENT FOR FINANCIAL AUDIT
2 SERVICES ("Agreement"), is made and entered into this _____ day of June, 2019, by
3 and between SMITH MARION & CO., INC., a California corporation ("CONSULTANT")
4 and the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity,
5 corporate and politic ("AUTHORITY"). The parties agree as follows:
6

7 **RECITALS**

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

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

15 **WHEREAS**, CONSULTANT was the successful responsive and responsible
16 proposer in connection with the AUTHORITY'S Request for Proposals (RFP) No. 2018-
17 003 for Financial Audit Services, dated January 3rd, 2019, attached hereto and
18 incorporated herein by this reference ("RFP No. 2018-003"); and

19 **WHEREAS**, CONSULTANT has the expertise, special skills, knowledge and
20 experience to perform the duties set out herein and in the RFP No. 2018-003, and agrees
21 to provide such services to AUTHORITY.

22 **NOW THEREFORE**, in consideration of the mutual covenants contained herein,
23 the parties hereto agree as follows:
24

25 **1. Description of Services**

26 CONSULTANT shall furnish all labor, material and equipment as outlined and
27 specified in (i) the Scope of Service, attached hereto as Exhibit "A" (ii) RFP No. 2018-
28 003, attached hereto as Exhibit "B"; and (iii) CONSULTANT'S proposal, submitted to the

1 AUTHORITY on January 3rd, 2019 in connection with RFP No. 2018-003, attached
2 hereto as Exhibit "C"; and (iv) HUD Form 5370 C, attached hereto as Exhibit "D"; each
3 exhibit of which is respectively incorporated herein by this reference (collectively,
4 "Financial Audit Services").

5 **1.1** In addition to providing the Financial Audit Services, the CONSULTANT
6 shall conduct and subsequently deliver the results of the annual financial audits (Audits)
7 to the AUTHORITY, in a timely manner, as agreed to by both parties.

8 **1.2** CONSULTANT shall provide Financial Audit Services for AUTHORITY for
9 the fees stated in Paragraph 3.1 below.

10 **1.3** CONSULTANT represents that it has the skills, experience and knowledge
11 necessary to fully and adequately perform under this Agreement, and the AUTHORITY relies
12 upon this representation. CONSULTANT shall perform to the satisfaction of the
13 AUTHORITY, and CONSULTANT shall perform the services and duties in conformance to
14 and consistent with the standards generally recognized as being employed by professionals
15 in the same discipline in the State of California. CONSULTANT further represents and
16 warrants to the AUTHORITY that it has all licenses, permits, qualifications and approvals of
17 whatever nature are legally required to practice its profession. CONSULTANT further
18 represents that it shall keep all such licenses and approvals in effect during the term of this
19 Agreement.

20 **1.4** CONSULTANT affirms that it is fully apprised of all of the work to be performed
21 under this Agreement; and the CONSULTANT agrees it can properly perform this work at
22 the fee stated in Paragraph 3.1. CONSULTANT shall not perform services or provide
23 products that are not set forth in this Agreement, unless by prior written request of the
24 AUTHORITY.

25 **1.5** Acceptance by the AUTHORITY of the CONSULTANT'S performance under
26 this Agreement does not operate as a release of CONSULTANT'S responsibility for full
27 compliance with the terms of this Agreement.
28

1 **2. Term**

2 **2.1** The term of this Agreement shall commence on the Effective Date, defined
3 below, and shall terminate on June 30, 2022, unless earlier terminated pursuant to
4 Paragraph 5 below (“term” or “Term”).

5 **2.2** The term “Effective Date” as used herein shall mean the date this
6 Agreement is executed by the AUTHORITY.

7
8 **3. Compensation**

9 **3.1** The AUTHORITY shall pay the CONSULTANT for services performed,
10 products provided and expenses incurred in accordance with the Scope of Service
11 attached hereto as Exhibit A, the Financial Audit Services, and as provided in this
12 Agreement. Maximum payment by AUTHORITY to CONSULTANT for the services
13 provided herein shall not exceed ONE HUNDRED FORTY-ONE THOUSAND NINE
14 HUNDRED AND FIFTY DOLLARS (\$141,950.00), including all expenses (“Maximum
15 Contract Amount”).

16 CONSULTANT’S fees encompass all Financial Audit Services and such other
17 services required in this Agreement including, but not limited to, annual audits, and
18 submission of all required forms. CONSULTANT’S fees also include all travel, per diem
19 and other direct costs related to its Services. For purposes of this paragraph only, the
20 term “Audits” shall mean any type of audit required pursuant to this Agreement including,
21 but not limited to, annual audits required by the United States Department of Housing
22 and Urban Development (HUD) or other government agencies.

23 CONSULTANT’S firm-fixed fees (including all expenses) for services provided
24 under this Agreement shall be as follows; provided, however in no event shall the
25 AUTHORITY’s payment of such fees exceed the Maximum Contract Amount:

- 26
- 27 • AUTHORITY Annual Audit for FY2019 \$45,900
 - 28 • AUTHORITY Annual Audit for FY2020 \$45,900
 - AUTHORITY Annual Audit for FY2021 \$46,650

- CONSULTANT'S total firm-fee \$3,500 (max total) for all additional work that AUTHORITY will require not otherwise specified in this Agreement

In performing all services, including, but not limited to the Financial Audit Services, required under this Agreement, the maximum total amount paid by AUTHORITY to CONSULTANT hereunder shall in no event exceed the Maximum Contract Amount. The AUTHORITY shall not be responsible for any fees or costs incurred above or beyond the aforementioned Maximum Contract Amount and AUTHORITY shall have no obligation to purchase any specified amount of services or products, unless agreed to in writing by AUTHORITY pursuant to Paragraph 4 below. CONSULTANT shall not be entitled to any additional fees for any of the Financial Audit Services other than those set forth above.

No compensation shall be allowed for administrative, overhead, insurance, word processing (normal or overflow secretarial time or overtime, or computer time or service) and related expenses.

3.2 CONSULTANT shall be paid only in accordance with an invoice submitted to AUTHORITY by CONSULTANT. AUTHORITY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONSULTANT only after services have been rendered or delivery of materials or products, and acceptance has been made by AUTHORITY.

Prepare all invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Housing Authority of the County of Riverside
5555 Arlington Avenue, Riverside, CA 92504
ATTN: Michele Jordan

a) In accordance with California Government Code Section 926.10, AUTHORITY is not allowed to pay excess interest and late charges.

3.3 The AUTHORITY'S obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of AUTHORITY'S funding from which payment can be made. No legal liability on the part of the

1 AUTHORITY shall arise for payment beyond June 30 of each calendar year unless funds
2 are made available for such payment. In the event that such funds are not forthcoming
3 for any reason, AUTHORITY shall immediately notify CONSULTANT in writing, and this
4 Agreement shall be deemed terminated and have no further force and effect.

5 **3.4** CONSULTANT acknowledges and agrees that this Agreement and the
6 provision of services hereunder is nonexclusive and that the AUTHORITY may enter into
7 similar agreements with other entities for the provision of similar services.

8
9 **4. Alteration or Changes to the Agreement**

10 No alteration or variation of the terms of this Agreement shall be valid unless made
11 in writing and signed by the parties hereto, and no oral understanding or agreement not
12 incorporated herein shall be binding on any of the parties hereto. No additional services
13 shall be performed by CONSULTANT without a written amendment to this Agreement.

14 CONSULTANT understands that the AUTHORITY Contracting Officer or the
15 AUTHORITY Deputy Executive Director are the only authorized AUTHORITY
16 representatives who may at any time, by written order, make any alterations within the
17 general scope of this Agreement.

18 If CONSULTANT feels that any work requested of it is beyond the Scope of
19 Services under this Agreement, any claim by the CONSULTANT for adjustment under
20 this Paragraph shall be made within thirty (30) days of the Effective Date.

21
22 **5. Termination**

23 AUTHORITY may, by written notice to CONSULTANT, terminate this Agreement
24 in whole or in part at any time. Such termination may be for AUTHORITY'S convenience
25 or because of CONSULTANT'S failure to perform its duties and obligations under this
26 Agreement including, but not limited to, the failure of CONSULTANT to timely perform
27 services pursuant to this Agreement, including, but not limited to the Scope of Services
28 attached hereto as Exhibit "A" and the Financial Audit Services.

1 **5.1** Discontinuance of Services. Upon Termination, CONSULTANT shall,
2 unless otherwise directed by the notice, discontinue all services and deliver to the
3 AUTHORITY all data, estimates, graphs, summaries, reports, and other related materials
4 as may have been prepared or accumulated by CONSULTANT in performance of
5 services, whether completed or in progress.

6 **5.2** Effect of Termination for Convenience. If the termination is to be for the
7 convenience of the AUTHORITY, the AUTHORITY shall compensate CONSULTANT for
8 services satisfactorily provided through the date of termination. CONSULTANT shall
9 provide documentation deemed adequate by AUTHORITY to show the services actually
10 completed by CONSULTANT prior to the date of termination. This Agreement shall
11 terminate thirty (30) days following receipt by the CONSULTANT of the written notice of
12 termination.

13 **5.3** Effect of Termination for Cause. If the termination is due to the failure of
14 CONSULTANT to fulfill its obligations under this Agreement, CONSULTANT shall be
15 compensated for those services which have been completed in accordance with this
16 Agreement and accepted by the AUTHORITY. In such case, the AUTHORITY may take
17 over the work and prosecute the same to completion by contract or otherwise. Further,
18 CONSULTANT shall be liable to the AUTHORITY for any reasonable additional costs
19 incurred by the AUTHORITY to revise work for which the AUTHORITY has compensated
20 CONSULTANT under this Agreement, but which the AUTHORITY has determined in its
21 sole discretion needs to be revised in part or whole to complete the project. Prior to
22 discontinuance of services, the AUTHORITY may arrange for a meeting with
23 CONSULTANT to determine what steps, if any, CONSULTANT can take to adequately
24 fulfill its requirements under this Agreement. In its sole discretion, AUTHORITY may
25 propose an adjustment to the terms and conditions of the Agreement, including the
26 contract price. Such contract adjustments, if accepted in writing by the parties, shall
27 become binding on CONSULTANT and shall be performed as part of this Agreement. In
28 the event of termination for cause, unless otherwise agreed to in writing by the parties,

1 this Agreement shall terminate seven (7) days following the date the notice of termination
2 was mailed to the CONSULTANT. Termination of this Agreement for cause may be
3 considered by the AUTHORITY in determining whether to enter into future agreements
4 with CONSULTANT.

5 **5.4** Notwithstanding any of the provisions of this Agreement, CONSULTANT'S
6 rights under this Agreement shall terminate (except for fees accrued prior to the date of
7 termination) upon dishonesty, or a willful or material breach of this Agreement by
8 CONSULTANT, or in the event of CONSULTANT'S unwillingness or inability for any
9 reason whatsoever to perform the duties hereunder, or if the Agreement is terminated
10 pursuant to this Paragraph 5. In such event, CONSULTANT shall not be entitled to any
11 further compensation under this Agreement.

12 **5.5** Cumulative Remedies. The rights and remedies of the parties provided in
13 this Paragraph are in addition to any other rights and remedies provided by law, equity
14 or under this Agreement.

15
16 **6. Reserved**

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18 **7. Ownership/Use of Contract Materials and Products**

19 The CONSULTANT agrees that all materials, reports or products in any form,
20 including electronic, created by CONSULTANT for which CONSULTANT has been
21 compensated by AUTHORITY pursuant to this Agreement shall be the sole property of
22 the AUTHORITY. The material, reports or products may be used by the AUTHORITY for
23 any purpose that the AUTHORITY deems to be appropriate, including, but not limit to,
24 duplication and/or distribution within the AUTHORITY or to third parties. CONSULTANT
25 agrees not to release or circulate in whole or part such materials, reports, or products
26 without prior written authorization of the AUTHORITY.

27 Upon completion of the work described in the Scope of Services attached hereto
28 as Exhibit "A" and the Financial Audit Services, the CONSULTANT shall furnish to the

1 AUTHORITY, ten (10) bound copies and five (5) digital copies, in a format acceptable to
2 the AUTHORITY, of the deliverables and/or documents as specified in the Scope of
3 Services attached hereto as Exhibit "A."

4
5 **8. Conflict of Interest**

6 **8.1** CONSULTANT covenants that it presently has no interest, including but not
7 limited to, other projects or independent contracts, and shall not acquire any such interest,
8 direct or indirect, which would conflict in any manner or degree with the performance of
9 services required under this Agreement. CONSULTANT further covenants that in the
10 performance of this Agreement, no person having any such interest shall be employed or
11 retained by it under this Agreement. The CONSULTANT agrees to inform the
12 AUTHORITY of all the CONSULTANT'S interests, if any, which are or may be perceived
13 as incompatible with the AUTHORITY'S interests.

14 **8.2** The CONSULTANT shall not, under circumstances which could be
15 interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept
16 any gratuity or special favor from individuals or firms with whom the CONSULTANT is
17 doing business or proposing to do business, in accomplishing the work under this
18 Agreement.

19 **8.3** The CONSULTANT or its employees shall not offer gifts, gratuity, favors,
20 and entertainment directly or indirectly to AUTHORITY employees.

21
22 **9. Inspection of Services**

23 **9.1** All performance shall be subject to inspection by the AUTHORITY. The
24 CONSULTANT shall provide adequate cooperation to AUTHORITY representative(s) to
25 permit him/her to determine the CONSULTANT'S conformity with the terms of this
26 Agreement. If any services performed or products provided by CONSULTANT are not
27 in conformance with the terms of this Agreement, the AUTHORITY shall have the right
28 to require the CONSULTANT to perform the services or provide the products in

1 conformance with the terms of the Agreement at no additional cost to the AUTHORITY.
2 When the services to be performed or the products to be provided are of such nature
3 that the difference cannot be corrected, the AUTHORITY shall have the right to: (1)
4 require the CONSULTANT immediately to take all necessary steps to ensure future
5 performance in conformity with the terms of the Agreement; and/or (2) reduce the
6 Agreement price to reflect the reduced value of the services performed or products
7 provided. The AUTHORITY may also terminate this Agreement for default and charge
8 to CONSULTANT any costs incurred by the AUTHORITY because of the
9 CONSULTANT'S failure to perform.

10 **9.2** CONSULTANT shall establish adequate procedures for self-monitoring to
11 ensure proper performance under this Agreement; and shall permit an AUTHORITY
12 representative(s) to monitor, assess or evaluate CONSULTANT'S performance under
13 this Agreement at any time upon reasonable notice to CONSULTANT.

14
15 **10. Independent Contractor**

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

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11. Subcontract for Work or Services

No contract shall be made by the CONSULTANT with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the AUTHORITY, but this provision shall not require the approval of contracts of employment between the CONSULTANT and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

12. Disputes

12.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement which is not resolved by the parties shall be decided by the AUTHORITY'S Contracting Officer who shall furnish the decision in writing. The decision of the AUTHORITY'S Contracting Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONSULTANT shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

12.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations. Each party shall be responsible for its own legal fees and other expenses incident to the preparation for mediation.

13. Jurisdiction and Venue

This Agreement is to be construed under the laws of the State of California. The parties agree to the jurisdiction and venue of the Superior Court in the County of

1 Riverside, State of California.

2
3 **14. Licensing and Permits**

4 CONSULTANT shall comply with all State or other licensing requirements,
5 including but not limited to the provisions of Chapter 9 of Division 3 of the Business and
6 Professions Code. All licensing requirements shall be met at the time proposals are
7 submitted to the AUTHORITY. CONSULTANT warrants that it has all necessary permits,
8 approvals, certificates, waivers and exemptions necessary for performance of this
9 Agreement as required by the laws and regulations of the United States, the State of
10 California, the County of Riverside and all other governmental agencies with jurisdiction,
11 and shall maintain these throughout the term of this Agreement.

12
13 **15. Non-Discrimination**

14 CONSULTANT shall not be discriminate in the provision of services, allocation of
15 benefits, accommodation in facilities, or employment of personnel on the basis of ethnic
16 group identification, race, religious creed, color, national origin, ancestry, physical
17 handicap, medical condition, marital status or sex in the performance of this Agreement;
18 and, to the extent they shall be found to be applicable hereto, shall comply with the
19 provisions of the California Fair Employment Practices Act (commencing with Section
20 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-352), the
21 Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable
22 laws or regulations.

23
24 **16. Records and Documents**

25 CONSULTANT shall make available, upon written request by any duly authorized
26 Federal, State or County agency, a copy of this Agreement and such books, documents
27 and records as are necessary to certify the nature and extent of the CONSULTANT'S
28 costs related to this Agreement. All such books, documents and records shall be

1 maintained by CONSULTANT for at least five (5) years following termination of this
2 Agreement and be available for audit by the AUTHORITY. CONSULTANT shall provide
3 to the AUTHORITY reports and information related to this Agreement as requested by
4 AUTHORITY.

5
6 **17. Confidentiality**

7 17.1 The CONSULTANT shall not use for personal gain or make other improper
8 use of privileged or confidential information which is acquired in connection with this
9 Agreement. The term "privileged or confidential information" includes but is not limited to:
10 unpublished or sensitive technological or scientific information; medical, personnel, or
11 security records; anticipated material requirements or pricing/purchasing actions;
12 AUTHORITY information or data which is not subject to public disclosure; AUTHORITY
13 operational procedures; and knowledge of selection of contractors, subcontractors or
14 suppliers in advance of official announcement.

15 17.2 The CONSULTANT shall protect from unauthorized disclosure names and
16 other identifying information concerning persons receiving services pursuant to this
17 Agreement, except for general statistical information not identifying any person. The
18 CONSULTANT shall not use such information for any purpose other than carrying out the
19 CONSULTANT'S obligations under this Agreement. The CONSULTANT shall promptly
20 transmit to the AUTHORITY all third party requests for disclosure of such information.
21 The CONSULTANT shall not disclose, except as otherwise specifically permitted by this
22 Agreement or authorized in advance in writing by the AUTHORITY, any such information
23 to anyone other than the AUTHORITY. For purposes of this Paragraph 17, identity shall
24 include, but not be limited to, name, identifying number, symbol, or other identifying
25 particulars assigned to the individual, such as finger or voice print or a photograph.

26
27 **18. Administration/Contract Liaison**

1 The Deputy Executive Director of the Housing Authority of the County of
2 Riverside, or designee, shall administer this Agreement on behalf of AUTHORITY and is
3 authorized to take any and all actions on behalf of the AUTHORITY as set forth herein
4 and to terminate services in accordance with Paragraph 5 of this Agreement. Whenever
5 a reference is made herein to an action or approval to be undertaken by the
6 AUTHORITY, the Deputy Executive Director, or designee, is authorized to act unless
7 this Agreement specifically provides otherwise.

8
9 **19. Notices**

10 All correspondence and notices required or contemplated by this Agreement shall
11 be delivered to the respective parties at the addresses set forth below, or at such other
12 address provided by a party in writing, and are deemed submitted one (1) day after their
13 deposit in the United States Mail, postage prepaid:

14 **AUTHORITY**

15 Housing Authority of the County of Riverside
16 5555 Arlington Avenue, Riverside, CA 92504
17 Attention: Deputy Executive Director

18 **CONSULTANT**

19 Smith Marion & Co., Inc.
20 1940 Orange Tree Lane Ste. 100 Redlands, California 92374
21 Attention: Douglas Englehart

22 **20. Force Majeure**

23 If either party is unable to comply with any provision of this Agreement due to
24 causes beyond its reasonable control, and which could not have been reasonably
25 anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such
26 party shall not be held liable for such failure to comply, provided the subject party
27 provides written notice to the other party no later than five (5) days after the
28 commencement of such force majeure event.

1 **21. EDD Reporting Requirements**

2 In order to comply with child support enforcement requirements of the State of
3 California, the AUTHORITY may be required to submit a Report of Independent
4 Contractor(s) form **DE 542** to the Employment Development Department (“EDD”). The
5 CONSULTANT agrees to furnish the required data and certifications to the AUTHORITY
6 within 10 days of notification of award of Agreement when required by the EDD. This
7 data will be transmitted to governmental agencies charged with the establishment and
8 enforcement of child support orders. Failure of the CONSULTANT to timely submit the
9 data and/or certificates required may result in the contract being award to another
10 CONSULTANT. In the event a contract has been issued, failure of the CONSULTANT
11 to comply with all federal and state reporting requirements for child support enforcement
12 or to comply with all lawfully served Wage and Earnings Assignments Orders and Notice
13 of Assignment shall constitute a material breach of Agreement. If CONSULTANT has
14 any questions concerning this reporting requirement, please call (916) 657-0529.
15 CONSULTANT should also contact is local Employment Tax Customer Service Office
16 listed in the telephone directory in the State Government section under “Employment
17 Development Department” or access their Internet site at www.edd.ca.gov.

18
19 **22. Hold Harmless/Indemnification**

20 **22.1** CONSULTANT shall indemnify and hold harmless the Housing Authority
21 of the County of Riverside, the County of Riverside, its Agencies, Districts, Special
22 Districts and Departments, their respective directors, officers, Board of Supervisors,
23 elected and appointed officials, employees, agents and representatives (collectively,
24 “Indemnified Parties”) from any liability, claim, damage or action whatsoever, based or
25 asserted upon any act or omission of CONSULTANT, its officers, employees,
26 subcontractors, agents or representatives arising out of or in any way relating to this
27 Agreement, including but not limited to property damage, bodily injury, or death.
28 CONSULTANT shall defend, at its sole cost and expense, including but not limited to

1 attorney fees, cost of investigation, defense and settlements or awards, the Housing
2 Authority of the County of Riverside, the County of Riverside, its respective Agencies,
3 Districts, Special Districts and Departments, their respective directors, officers, Board of
4 Supervisors, elected and appointed officials, employees, agents and representatives in
5 any such action or claim. With respect to any action or claim subject to indemnification
6 herein by CONSULTANT, CONSULTANT shall, at its sole cost, have the right to use
7 counsel of its own choice and shall have the right to adjust, settle, or compromise any
8 such action or claim without the prior consent of AUTHORITY; provided, however, that
9 any such adjustment, settlement or compromise in no manner whatsoever limits or
10 circumscribes CONSULTANT'S indemnification of AUTHORITY and the Indemnified
11 Parties. CONSULTANT'S obligations hereunder shall be satisfied when CONSULTANT
12 has provided to AUTHORITY the appropriate form of dismissal (or similar document)
13 relieving the AUTHORITY from any liability for the action or claim involved. The specified
14 insurance limits required in this Agreement shall in no way limit or circumscribe
15 CONSULTANT'S obligations to indemnify and hold harmless the AUTHORITY and
16 Indemnified Parties.

17 **22.2** In the event there is conflict between this clause and California Civil Code
18 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such
19 interpretation shall not relieve the CONSULTANT from indemnifying the AUTHORITY to
20 the fullest extent allowed by law. The indemnification and hold harmless obligations set
21 forth in this Paragraph 22 shall survive the termination and expiration of this Agreement.

22
23 **23. Insurance**

24 Without limiting or diminishing the CONSULTANT'S obligation to indemnify or
25 hold the AUTHORITY harmless, CONSULTANT shall procure and maintain or cause to
26 be maintained, at its sole cost and expense, the following insurance coverage during the
27 term of this Agreement. As respects to the insurance section only, AUTHORITY herein
28 refers to the Housing Authority of the County of Riverside, the County of Riverside, its

1 respective Agencies, Districts, Special Districts, and Departments, their respective
2 directors, officers, Board of Supervisors, Board of Commissioners, employees, elected
3 or appointed officials, agents or representatives as Additional Insureds.

4 A. Workers' Compensation:

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

11 B. Commercial General Liability:

12 Commercial General Liability insurance coverage, including but not limited to,
13 premises liability, unmodified contractual liability, products and completed
14 operations liability, personal and advertising injury, and cross liability coverage,
15 covering claims which may arise from or out of CONSULTANT'S performance of
16 its obligations hereunder. Policy shall name the AUTHORITY as Additional
17 Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence
18 combined single limit. If such insurance contains a general aggregate limit, it shall
19 apply separately to this agreement or be no less than two (2) times the occurrence
20 limit.
21

22
23 C. Vehicle Liability:

24 If vehicles or mobile equipment are used in the performance of the obligations
25 under this Agreement, then CONSULTANT shall maintain liability insurance for all
26 owned, non-owned or hired vehicles so used in an amount not less than
27 \$1,000,000 per occurrence combined single limit. If such insurance contains a
28

1 general aggregate limit, it shall apply separately to this agreement or be no less
2 than two (2) times the occurrence limit. Policy shall name the AUTHORITY as
3 Additional Insureds.

4 D. Professional Liability:

5 CONSULTANT shall maintain Professional Liability Insurance providing coverage
6 for the CONSULTANT'S performance of work included within this Agreement, with
7 a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual
8 aggregate. If CONSULTANT'S Professional Liability Insurance is written on a
9 claims made basis rather than an occurrence basis, such insurance shall continue
10 through the term of this Agreement and CONSULTANT shall purchase at his sole
11 expense either:

- 12 1) An Extended Reporting Endorsement (also, known as Tail Coverage); or
- 13 2) Prior Dates Coverage from new insurer with a retroactive date back to
14 the date of, or prior to, the inception of this Agreement; or,
- 15 3) Demonstrate through Certificates of Insurance that CONSULTANT has
16 maintained continuous coverage with the same or original
17 insurer. Coverage provided under items; 1), 2) or 3) will continue as long
18 as the law allows.

19 E. General Insurance Provisions - All lines:

- 20 1) Any insurance carrier providing insurance coverage hereunder shall be
21 admitted to the State of California and have an A M BEST rating of not less
22 than A: VIII (A:8) unless such requirements are waived, in writing, by the
23 AUTHORITY'S Risk Manager. If the AUTHORITY'S Risk Manager waives
24 a requirement for a particular insurer such waiver is only valid for that
25 specific insurer and only for one policy term.
- 26 2) The CONSULTANT shall declare its insurance self-insured retention for
27 each coverage required herein. If any such self-insured retention exceeds
28

1 \$500,000 per occurrence each such retention shall have the prior written
2 consent of the AUTHORITY's Risk Manager before the commencement of
3 operations under this Agreement. Upon notification of self-insured retention
4 unacceptable to the AUTHORITY, and at the election of the AUTHORITY's
5 Risk Manager, CONSULTANT'S carriers shall either; 1) Reduce or
6 eliminate such self-insured retention as respects this Agreement with the
7 AUTHORITY, or 2) Procure a bond which guarantees payment of losses
8 and related investigations, claims administration, and defense costs and
9 expenses.

10 3) CONSULTANT shall cause CONSULTANT'S insurance carrier(s) to
11 furnish the AUTHORITY with either 1) a properly executed original
12 Certificate(s) of Insurance and certified original copies of Endorsements
13 effecting coverage as required herein, and 2) if requested to do so orally or
14 in writing by the AUTHORITY'S Risk Manager, provide original Certified
15 copies of policies including all Endorsements and all attachments thereto,
16 showing such insurance is in full force and effect. Further, said
17 Certificate(s), and policies of insurance shall contain the covenant of the
18 insurance carrier(s) that thirty (30) days written notice shall be given to the
19 AUTHORITY prior to any material modification, cancellation, expiration or
20 reduction in coverage of such insurance. In the event of a material
21 modification, cancellation, expiration, or reduction in coverage, this
22 Agreement shall terminate forthwith, unless the AUTHORITY receives, prior
23 to such effective date, another properly executed original Certificate of
24 Insurance and original copies of endorsements or certified original policies,
25 including all endorsements and attachments thereto evidencing coverage's
26 set forth herein and the insurance required herein is in full force and effect.

27 **CONSULTANT shall not commence operations until the AUTHORITY**
28

1 ***has been furnished original Certificate(s) of Insurance and certified***
2 ***original copies of endorsements and if requested, review original of***
3 ***the policies of insurance including all endorsements and any and all***
4 ***other attachments as required in this Section. An individual authorized***
5 ***by the insurance carrier to do so on its behalf shall sign the original***
6 ***endorsements for each policy and the Certificate of Insurance. Upon***
7 ***AUTHORITY'S request, CONSULTANT shall make available for***
8 ***inspection by AUTHORITY's Risk Manager, at a mutually agreeable***
9 ***location, copies of CONSULTANT'S insurance policies.***

10 4) It is understood and agreed to by the parties hereto and the insurance
11 company(s) that the CONSULTANT'S insurance shall be construed as
12 primary insurance, and the AUTHORITY'S insurance and/or deductible
13 and/or self-insured retentions' or self-insured programs shall not be
14 construed as contributory.

15 5) If, during the term of this Agreement or any extension thereof, there is a
16 material change in the Scope of Service or Financial Audit Services; or,
17 there is a material change in the equipment to be used in the performance
18 of the Scope of Service or Financial Authority Services; or, the term of this
19 Agreement, including any extensions thereof, exceeds five (5) years; the
20 AUTHORITY reserves the right to adjust the types of insurance and the
21 monetary limits of liability required under this Agreement, if in the
22 AUTHORITY's Risk Manager's reasonable judgment, the amount or type of
23 insurance carried by the CONSULTANT has become inadequate.

24 6) CONSULTANT shall pass down the insurance obligations contained
25 herein to all tiers of subcontractors working under this Agreement.

26 7) The insurance requirements contained in this Agreement may be met
27 with a program(s) of self-insurance acceptable to the AUTHORITY.
28

1 8) CONSULTANT agrees to notify AUTHORITY of any claim by a third party
2 or any incident or event that may give rise to a claim arising from the
3 performance of this Agreement.
4

5 **24. General**

6 **24.1** CONSULTANT shall not delegate or assign any interest in this Agreement,
7 whether by operation of law or otherwise, without the prior written consent of
8 AUTHORITY.

9 **24.2** Any waiver by AUTHORITY of any breach of any one or more of the terms
10 of this Agreement shall not be construed to be a waiver of any subsequent or other
11 breach of the same or of any other term of this Agreement. Failure on the part of
12 AUTHORITY to require exact, full and complete compliance with any terms of this
13 Agreement shall not be construed as in any manner changing the terms or estopping
14 AUTHORITY from enforcement of the terms of this Agreement.

15 **24.3** In the event the CONSULTANT receives payment under this Agreement
16 which is later disallowed by AUTHORITY for nonconformance with the terms of the
17 Agreement, the CONSULTANT shall promptly refund the disallowed amount to the
18 AUTHORITY on request; or at its option the AUTHORITY may offset the amount
19 disallowed from any payment due to the CONSULTANT.

20 **24.4** CONSULTANT shall not provide partial delivery or shipment of services or
21 products unless specifically stated in the Agreement.

22 **24.5** The AUTHORITY agrees to cooperate with the CONSULTANT in the
23 CONSULTANT'S performance under this Agreement, including, if stated in the
24 Agreement, providing the CONSULTANT with reasonable facilities and timely access to
25 AUTHORITY data, information and personnel.

26 **24.6** CONSULTANT shall comply with all applicable Federal, State and local
27 laws and regulations. CONSULTANT shall comply with all applicable AUTHORITY
28 policies and procedures. In the event that there is a conflict between the various laws or

1 regulations that may apply, the CONSULTANT shall comply with the more restrictive law
2 or regulation.

3 **24.7** CONSULTANT shall comply with all requirements of the Occupational
4 Safety and Health Administration (OSHA) standards and codes as set forth by the U.S.
5 Department of Labor and the State of California (Cal/OSHA).

6 **24.8** This Agreement shall be governed by the laws of the State of California.
7 Any legal action related to the performance or interpretation of this Agreement shall be
8 filed only in the Superior Court of the State of California located in Riverside, California,
9 and the parties waive any provision of law providing for a change of venue to another
10 location. In the event any provision in this Agreement is held by a court of competent
11 jurisdiction to be invalid, void, or unenforceable, the remaining provisions will
12 nevertheless continue in full force without being impaired or invalidated in any way.

13
14 **25. Additional Federal Requirements**

15 Whereas the work may be subject to applicable Federal, State, and local laws
16 and regulations, including but not limited to, the regulations pertaining to the Community
17 Development Block Grant program (24 CFR Part 570) and the Uniform Administrative
18 Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part
19 200). Contractor, sub-contractors, consultants, and sub-consultants agree to comply
20 with, and are subject to, all applicable requirements as follows:

21 **25.1** Equal Employment Opportunity - Compliance with Executive Order 11246
22 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by
23 Executive Order 11375 of October 13, 1967, and as supplemented in Department of
24 Labor regulations (41 CFR chapter 60): The CONSULTANT shall not discriminate
25 against any employee or applicant for employment because of race, color, religion, sex,
26 or national origin. CONSULTANT shall ensure that all qualified applicants shall receive
27 consideration for employment without regard to race, color, religion, sex or national
28 origin. The CONSULTANT shall take affirmative action to ensure that applicants are

1 employed and the employees are treated during employment, without regard to their race
2 color, religion, sex, or national origin. Such actions shall include, but are not limited to,
3 the following: employment, up-grading, demotion, or transfer; recruitment or recruitment
4 advertising; rates of pay or other forms of compensation; and selection for training,
5 including apprenticeship. The CONSULTANT shall post in a conspicuous place,
6 available to employees and applicants for employment, notices to be provided by the
7 County setting forth the provisions of this non-discriminating clause.

8 **25.2** Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c: All
9 contracts and subgrants in excess of \$2,000 for construction or repair awarded by
10 recipients and subrecipients shall include a provision for compliance with the Copeland
11 "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor
12 regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public
13 Work Financed in Whole or in Part by Loans or Grants from the United States"). The
14 Copeland "Anti-Kickback" Act provides that each contractor or subrecipient shall be
15 prohibited from inducing, by any means, any person employed in the construction,
16 completion, or repair of public work, to give up any part of the compensation to which he
17 is otherwise entitled. The recipient shall report all suspected or reported violations to the
18 U.S. Department of Housing and Urban Development (HUD).

19 **25.3** Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7: When required by
20 Federal program legislation, all construction contracts awarded by the recipients and
21 subrecipients of more than \$2000 shall include a provision for compliance with the Davis-
22 Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor
23 regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts
24 Governing Federally Financed and Assisted Construction"). Under the Davis-Bacon Act,
25 contractors shall be required to pay wages to laborers and mechanics at a rate not less
26 than the minimum wages specified in a wage determination made by the Secretary of
27 Labor. In addition, contractors shall be required to pay wages not less than once a week.
28 The recipient shall place a copy of the current prevailing wage determination issued by

1 the Department of Labor in each solicitation and the award of a contract shall be
2 conditioned upon the acceptance of the wage determination. The recipient shall report
3 all suspected or reported violations to HUD.

4 **25.4** Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through
5 333): Where applicable, all contracts awarded by recipients in excess of \$2000 for
6 construction contracts and in excess of \$2500 for other contracts that involve the
7 employment of mechanics or laborers shall include a provision for compliance with
8 Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.
9 327–333), as supplemented by Department of Labor regulations (29 CFR part 5). Under
10 Section 102 of the Contract Work Hours and Safety Standards Act, each contractor shall
11 be required to compute the wages of every mechanic and laborer on the basis of a
12 standard workweek of 40 hours. Work in excess of the standard workweek is permissible
13 provided that the worker is compensated at a rate of not less than 1 1/2 times the basic
14 rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of
15 the Contract Work Hours and Safety Standards Act is applicable to construction work
16 and provides that no laborer or mechanic shall be required to work in surroundings or
17 under working conditions which are unsanitary, hazardous or dangerous. These
18 requirements do not apply to the purchases of supplies or materials or articles ordinarily
19 available on the open market, or contracts for transportation or transmission of
20 intelligence.

21 **25.5** Rights to Inventions Made Under a Contract or Agreement: Contracts or
22 agreements for the performance of experimental, developmental, or research work shall
23 provide for the rights of the Federal Government and the recipient in any resulting
24 invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit
25 Organizations and Small Business Firms Under Government Grants, Contracts and
26 Cooperative Agreements," and any implementing regulations issued by HUD.

27
28

1 **25.6** Rights to Data and Copyrights: Contractors and consultants agree to
2 comply with all applicable provisions pertaining to the use of data and copyrights
3 pursuant to 48 CFR Part 27.4, Federal Acquisition Regulations (FAR).

4 **25.7** Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution
5 Control Act (33 U.S.C. 1251 et seq.), as amended: Contracts and subgrants of amounts
6 in excess of \$100,000 shall contain a provision that requires the recipient to agree to
7 comply with all applicable standards, orders or regulations issued pursuant to the Clean
8 Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended
9 (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of
10 the Environmental Protection Agency (EPA).

11 **25.8** Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors who apply
12 or bid for an award of \$100,000 or more shall file the required certification. Each tier
13 certifies to the tier above that it will not and has not used Federal appropriated funds to
14 pay any person or organization for influencing or attempting to influence an officer or
15 employee of any agency, a member of Congress, officer or employee of Congress, or
16 an employee of a member of Congress in connection with obtaining any Federal contract,
17 grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any
18 lobbying with non-Federal funds that takes place in connection with obtaining any
19 Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

20 **25.9** Debarment and Suspension (E.O.s 12549 and 12689): No contract shall
21 be made to parties listed on the General Services Administration's List of Parties
22 Excluded from Federal Procurement or Non-procurement Programs in accordance with
23 E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.
24 This list contains the names of parties debarred, suspended, or otherwise excluded by
25 agencies, and contractors declared ineligible under statutory or regulatory authority other
26 than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall
27 provide the required certification regarding its exclusion status and that of its principal
28 employees.

1 **25.10 Drug-Free Workplace Requirements:** The Drug-Free Workplace Act of
2 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a
3 prior condition of being awarded a grant, to certify that they will provide drug-free
4 workplaces. Each potential recipient shall certify that it will comply with drug-free
5 workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part
6 24, subpart F.

7 **25.11 Access to Records and Records Retention:** The CONSULTANT, and any
8 sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or
9 County officials or authorized representatives access to the work area, as well as all
10 books, documents, materials, papers, and records of the CONSULTANT, and any sub-
11 consultants or sub-contractors, that are directly pertinent to a specific program for the
12 purpose of making audits, examinations, excerpts, and transcriptions. The
13 CONSULTANT, and any sub-consultants or sub-contractors, further agree to maintain
14 and keep such books, documents, materials, papers, and records, on a current basis,
15 recording all transactions pertaining to this agreement in a form in accordance with
16 generally acceptable accounting principles. All such books and records shall be retained
17 for such periods of time as required by law, provided, however, notwithstanding any
18 shorter periods of retention, all books, records, and supporting detail shall be retained
19 for a period of at least four (4) years after the expiration of the term of this Agreement.

20 **25.12 Federal Employee Benefit Clause:** No member of or delegate to the
21 congress of the United States, and no Resident Commissioner shall be admitted to any
22 share or part of this Agreement or to any benefit to arise from the same.

23 **25.13 Energy Efficiency:** Mandatory standards and policies relating to energy
24 efficiency which are contained in the State energy conservation plan issued in
25 compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).

26
27 **26. Nonliability of Authority Officials and Authority Employees**
28

1 No member, official employee or consultant of the AUTHORITY shall be
2 personally liable to the CONSULTANT, or any successor in interest, in the event of any
3 default or breach by the AUTHORITY for any amount which may become due to the
4 CONSULTANT or to its successor, or on any obligation under the terms of this
5 Agreement.

6
7 **27. No Third Party Beneficiaries**

8 The parties intend that no rights nor remedies be granted to any third party as a
9 beneficiary of this Agreement or of any covenant, duty, obligation or undertaking
10 established herein.

11
12 **28. Entire Agreement**

13 This Agreement, including any attachments or exhibits, constitutes the entire
14 Agreement of the parties with respect to its subject matter and supersedes all prior and
15 contemporaneous representations, proposals, discussions and communications,
16 whether oral or in writing. This Agreement may be changed or modified only by a written
17 amendment signed by authorized representatives of both parties.

18
19 [Signatures on Next Page]
20
21
22
23
24
25
26
27
28

1 IN WITNESS WHEREOF, the parties hereto have caused their duly authorized
2 representatives to execute this Agreement as of the dates set forth below:

3
4
5 **AUTHORITY:**

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

5 **CONSULTANT:**

6 SMITH MARION & CO., INC., a
7 California corporation

8
9 By: 

10 V. Manuel Perez, Chairman
11 Board of Commissioners

9 By: 

10 Douglas Englehart, Principal

11
12 Dated: JUN 18 2019

12 Dated: 6/3/19

13
14 **ATTEST**

15 Kecia Harper
16 Clerk of the Board

17 
18 Deputy

19
20 **APPROVED AS TO FORM:**

21 Gregory P. Priamos
22 County Counsel

23 By: 

24 Jhaila R. Brown,
25 Deputy County Counsel

1 EXHIBIT A

2 SCOPE OF SERVICES

3
4 Smith Marion & Co., Inc., a California corporation ("CONSULTANT") shall provide the
5 following services to the Housing Authority of the County of Riverside ("AUTHORITY" or
6 "HACR") as required in that certain Professional Services Agreement for Financial Audit
7 Services ("Agreement"):

8 1. All services set forth in RFP No. 2018-003 for Financial Audit Services, attached
9 to the Agreement as Exhibit B and incorporated herein by this reference.

10 2. All services set forth in CONSULTANT'S proposal, submitted to the AUTHORITY
11 on January 3rd, 2019, in connection with RFP No. 2018-003, attached to the Agreement
12 as Exhibit C and incorporated herein by this reference.

13 3. **HACR General Audit Standards:** Any audit that is performed by the
14 CONSULTANT shall be performed in accordance with auditing standards generally
15 accepted in the United States, and will additionally require compliance testing and a
16 study of internal accounting controls. The CONSULTANT will be required to certify that
17 each and every audit is performed in accordance with all applicable federal and state
18 laws and regulations, and in accordance with Generally Accepted Government Auditing
19 Standards (GAGAS), as issued by the Comptroller General of the United States and as
20 defined in Title 31 U.S.C.A. of Section 7501(7). The CONSULTANT will also be required
21 to certify that each and every audit is performed in accordance with provisions of the
22 U.S. Office of Management and Budget (OMB) Uniform Guidance (2015-2016), Audits
23 of States, Local Governments, and Nonprofit Organizations, and will include tests of the
24 accounting records, a determination of major programs in accordance with OMB Uniform
25 Guidance (2015-2016), and other procedures that are considered necessary to express
26 such opinions and to render the required reports; including the OMB Circular Compliance
27 supplements that are applicable to the U.S. Department of Housing and Urban
28 Development (HUD) properties major programs.

25 4. **HACR Audit Overview:** The HACR was last audited for the fiscal-year end (FYE)
26 June 30, 2018. The HACR will require the CONSULTANT to provide auditing services
27 for the fiscal years (FY) ending June 30, 2019 (FY2018/2019), June 30, 2020
28 (FY2019/2020) and June 30, 2021 (FY2020/2021), this audit shall include the following
HACR programs and items:

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

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

14 b. An audit of the HACR's financial statements and pertinent documents to
15 determine whether or not there has been compliance with the provision of the
16 Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and Public
17 Law 98-502 (title 31 U.S.C.A. Sections 7501 through 7505 inclusive), referred to
18 herein as the "Act", and implementing Office of Management and Budget (OMB)
19 Uniform Guidance (2015-2016).

20 c. An audit of the HACR's internal accounting and administrative controls as
21 required by the Act and OMB Uniform Guidance (2015-2016) (Single Audit).

22 5. **Reporting:** The CONSULTANT shall submit draft reports to the HACR for timely
23 review prior to the issuance of any final reports.

24 6. **Technical Assistance:** The CONSULTANT will provide technical assistance and
25 coordinate with the County of Riverside Auditor-Controller's Office as necessary, as
26 related to the Scope of Services rendered herein.

27 7. **Scheduling of Personnel:** As the CONSULTANT schedules staff to perform
28 annual services, the CONSULTANT shall give the HACR the right, in its sole and absolute
discretion, to assign the same on-site supervisor(s) for audit engagements so as to
provide continuity of service performance.

8. **Completion Time Frame:** The FYE 6/30/2019 audit must be performed and the
CONSULTANT must provide the HACR with a Management Letter (final copy) advising
the HACR of opportunities observed for economy of operations and improvement in
internal controls no later than September 30, 2019.

1 9. **Final Audit Report(s)**: On or before the actual deadline, as determined by
2 AUTHORITY and/or the County of Riverside, the CONSULTANT will provide copies of
3 all final audit reports to the HACR including, but not limited to the following:

4 a. HACR Financial Statements, Proprietary (Enterprise) Fund Type, and
5 Auditors' Report in accordance with Office of Management and Budget (OMB)
6 under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520);

7 b. HACR Supplementary Information and Auditors' Report in accordance with
8 Office of Management and Budget (OMB) under the Paperwork Reduction Act of
9 1995 (44 U.S.C 2501-3520);

10 c. HACR Supplementary Information and Auditors' Report (with Financial
11 Data Schedules per HUD's specifications) in accordance with Office of
12 Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44
13 U.S.C 2501-3520).

14 d. Desert Rose Apartments Financial Statement, Proprietary (Enterprise)
15 Fund Type and Auditors' Report: Nine (9) bound copies, one (1) unbound and
16 unstapled copy, and one electronic version in accordance with Office of
17 Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44
18 U.S.C 2501-3520).

19 e. The CONSULTANT shall conduct the audit in full conformance with OMB
20 Uniform Guidance (2015-2016).

21 f. Once completed, the CONSULTANT will be required to submit to the
22 HACR a total of 10 copies of the Single Audit Report.

23 g. The CONSULTANT shall perform the agreed upon procedures related to
24 the Financial Data Schedule (FDS) submission process to the Real Estate
25 Assessment Center (REAC); and must have obtained the required REAC user
26 access and Unique Item Identifier. (UII) number from HUD.

27 h. In addition to the audit of the basic financial statements, and the
28 requirements of the Single Audit Acts and OMB Uniform Guidance (2015-2016),
the CONSULTANT may be required to perform the following:

i. Form SF-SAC - The CONSULTANT 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 of their requirements.

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

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11. **Additional Work:** Any other services required by AUTHORITY in connection with any and all audit services to be provided under this Agreement that are not otherwise stated herein.

EXHIBIT B

RFP NO. 2018-003

(behind this page)

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REQUEST FOR PROPOSALS (RFP)

FOR

FINANCIAL AUDIT SERVICE

RFP NO. 2018-003

**The Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504**

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

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**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

INTRODUCTION

The Housing Authority of the County of Riverside ("HACR") is a public entity 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 ("CFR"), Housing Authorities Law (Part 2 of Division 24 of the California Health and Safety Code commencing with Section 34200 et seq.).

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 8,522 Tenant-Based Section 8 Vouchers, 80 Project-Based Section 8 Vouchers, 93 Shelter-Plus Care Vouchers, 90 Housing Opportunities for Persons with AIDS (HOPWA) units, 473 Family Self Sufficiency (FSS) participants, and 30 Tenant-Based Rental Assistance Vouchers. The HACR currently has approximately 150 employees.

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.

The Housing Authority of the County of Riverside 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 Riverside Community Housing Corp. ("RCHC") is a California non-profit public benefit corporation that was formed in 1992 as an affiliate of the Housing Authority of the County of Riverside. RCHC's purpose is to create and preserve affordable housing for extremely low, very low, low and moderate income persons within the County of Riverside, and to augment services and housing programs sponsored by the HACR and the County of Riverside Economic Development Agency, (EDA).

Therefore, the HACR is soliciting and accepting proposals from qualified, licensed and insured consultants or companies, demonstrating their qualifications, past performance and interest for this work, to undertake the successful completion and submission of the HACR's and RCHC's financial audit report to the U.S. Department of Housing and Urban Development (HUD) by the required due date each year.

Details regarding this Request for Proposals No. 2018-003 (RFP), specifications, and submittal requirements are set forth in this RFP document and any attachments or amendments to it, which can also be accessed online at www.harivco.org. Proposals made in response to this solicitation must conform to all of the required specifications outlined within this document and any designated attachments or amendments in their entirety.

REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE

RFP INFORMATION AT A GLANCE

HACR CONTACT PERSON:	George Eliseo Email: gceliseo@rivco.org Phone: (951) 343-5481 Fax: (951) 688-6873
HOW TO OBTAIN THE RFP DOCUMENTS:	Online at: www.harivco.org -OR- via e-mail from the person listed above.
DEADLINES FOR SUBMITTING QUESTIONS AND REQUEST FOR INTERPRETATIONS: (RFIs), INCLUDING ANY MODIFICATIONS TO HACR CONTRACT LANGUAGE OR SCOPE OF SERVICE:	Thursday, December 20, 2018 at 5:00 PM.
HOW TO FULLY RESPOND TO THIS RFP BY SUBMITTING A PROPOSAL:	Per instructions within Section 4.0 of this RFP document, submit 3 copies of your tabbed, bound, hard copy proposal to the HACR by the due date.
PROPOSAL SUBMITTAL RETURN LOCATION AND DEADLINE:	Thursday, January 3, 2019 at 5:00 PM. 5555 Arlington Avenue Riverside, CA 92504 (Proposals shall be delivered to the Housing Authority of the County of Riverside, on the 1st Floor of its Administrative Building located at 5555 Arlington Avenue, Riverside, CA 92504. Attn: George Eliseo)
NOTE: HACR reserves the right to deviate from this timeline and/or modify the Scope of Service at any time!	Notices of any such decisions or modifications will be located at: www.harivco.org

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**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

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, in its sole and absolute discretion, if deemed by the HACR to be in its best interests.
- 1.2 Right Not to 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 business day's written notice to the successful Firm(s).
- 1.4 Right to Determine Time and Location.** The HACR reserves the right to determine the days, hours and locations that the successful Firm shall provide services called for in this RFP.
- 1.5 Right to Determine Financial Responsibility and Viability.** The HACR reserves the right to require of each Firm, 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 Written Proposals.** The HACR reserves the right to retain all written proposals submitted to HACR by all Firms in response to this RFP, and not permit the withdrawal of same for a period of 60 calendar days subsequent to the deadline for receiving said proposals. The HACR may permit the withdrawal of proposals if requested in writing by the Firm and such request is approved in writing by the HACR Contracting Officer (CO) in his sole and absolute discretion.
- 1.7 Right to Negotiate Fees.** The HACR reserves the right to negotiate the fees proposed by the successful Firm.
- 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 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 Firm 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 Firm or reject any proposal submitted that does not conform to any of the requirements detailed herein. By accessing the www.harivco.org Internet System ("System") and downloading this document, each Firm is thereby agreeing to abide by all terms and conditions listed within this document and within the System, and further agrees that they will inform the CO in writing within 5 business days of the discovery of any item listed herein or of any item that is issued thereafter by the HACR that they feel needs to be addressed. Failure to abide by this time frame shall relieve the HACR, but not the Firm, of any responsibility pertaining to such issue.
- 1.11 Public Disclosure of Proposal Documents.** To the extent applicable, documents submitted in connection with this RFP may be subject to disclosure pursuant to the California Public Records Act, (California Government Code Section 6250 et seq.).

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

2.0 GENERAL INFORMATION:

The Housing Authority of the County of Riverside (HACR) is seeking proposals from qualified firms, partnerships, corporations, associations, or professional organizations, (hereafter, "Firm(s)") to provide to conduct its annual agency-wide audits. This service shall include but not be limited to; comprehensive professional audit entrance, exit and status meetings.

2.1 Background: The HACR was last audited for the fiscal year end June 30, 2018. The services the HACR will require the successful Firm to provide auditing services for the fiscal years ending June 30, 2019 (FY2018-19), June 30, 2020 (FY2019-20) and June 30, 2021 (FY2020-21) including the following HACR programs and items:

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 Supplemental Information (RSI) and other information to supplement the basic financial statements. This may include:
 - a. Notes to the Financial Statements including Combining Statements.
 - b. Required A-133 reports including an Opinion (or disclaimer of Opinion), Report on Internal Control, Report on Compliance and Schedule of Findings and Questioned Costs.
 - c. Top-level Financial Statements and Schedule of Expenditures of Federal Awards.
 - d. Any other information as required or deemed necessary for improved presentation of HACR's financial statements.

2. An audit of RCHC'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 RCHC in accordance with Generally Accepted Accounting Standards in the United States and provide for certain Required Supplemental Information (RSI) and other information to supplement the basic financial statements.

2.2 Start Date and Completion Date: The target start date and term, for the proposed service is June 10, 2019 through October 15, 2021 HUD mandates that an individual Auditor may not exceed three (3) year contract with a Public Housing Authority, (PHA).

2.3 Exclusivity: The HACR will choose one (1) successful Firm to provide these services.

2.4 Federal Funding Clause: This three year Financial Audit Service will be funded in part with Community Development Block Grant (CDBG) funds, HOME Investment Partnerships Program (HOME) funds, and Section 8 administration funds (24 CFR Part 570) and subject to certain Federal requirements including the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200)*. Information pertaining to the Federal requirements is on file with the Housing Authority of the County of Riverside.

2.5 HACR Responsibility: The HACR shall make all reasonable efforts to cooperate with the successful Firm. HACR will provide the Firm access to non-privileged and/or non-confidential data necessary for the successful Firm to carry out their responsibilities under this RFP and resulting contract. To the extent the Executive Director or designee of HACR determines is necessary, will be responsible for providing or causing to be provided, information and

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

completing or causing to be completed, tasks requested by the Firm necessary to conduct the Financial Audit(s) and all other related work.

- 2.6 Contract Form:** By responding to this RFP and submitting a proposal, the Firm acknowledges and agrees that HACR will only execute agreements prepared by HACR, which are substantially approved as to form and substance by HACR. As provided further within Section 5.0 herein, the HACR **WILL NOT** execute the successful Firm's contract form; the contract **WILL** be executed on the HACR's form only (please see Attachment E), and all specifications listed within the subject HACR contract will generally be the same specifications listed within the Scope of Services in Section 3.0. Any Firm that does not feel that these listed specifications are reasonable or complete shall address such with the HACR in writing during the proposal conduct period (prior to the posted submittal deadline) once the proposal deadline has passed, revision of the specifications will not occur, (no negotiations after the deadline!).
- 2.7 Submittal Deadline:** The HACR must receive proposals by **5:00 PM, Thursday, January 3, 2019**. Proposals may be submitted by mail or hand delivered to: **Housing Authority of the County of Riverside, 5555 Arlington Avenue, Riverside, CA 92504**. HACR will date and time stamp all proposals upon receipt. Proposals submitted after the deadline indicated above will not be accepted. Delays in mail service or other methods of delivery will not excuse a late proposal delivery.*
- 2.8 Current / Previous Firm:** The HACR's most current Firm for these services was Smith Marion and Company.

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**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

3.0 SCOPE OF SERVICES:

All Firms are asked to describe the tasks required to successfully carry out the Scope of Services outlined below. However, Firm's may include additional services that the Firm is capable of providing and which, in the Firm's opinion, would enhance the implementation of the proposed Scope of Services. Comprehensive Financial Audit services shall include, but are not limited to, the following:

3.1 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 Firm 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 Firm 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 Firm 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 own system.

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

3.3 Single Audit: An audit of the HACR's and of RCHC's internal accounting and administrative controls as required by the Act and OMB Circular (Single Audit).

3.4 Draft Reports: The successful Firm is to submit draft reports to the HACR for timely review prior to final issuance.

3.5 Technical Assistance: The successful Firm will provide technical assistance and coordinate with the County of Riverside Auditor-Controller's Office, as necessary, in relation to the successful completion of the annual audit(s).

3.6 Personnel Assignment: When the successful Firm schedules staff to perform annual services, the Firm shall give the HACR preference in assignments of the same on-site supervisor(s) for audit engagements to provide for continuity of service performance.

3.7 Completion Time Frame: The FYE 6/30/2019 audit must be performed and the successful Firm 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, 2019.

REQUEST FOR PROPOSALS (RFP) NO. 2018-003
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3.8 Final Audit Report(s): On or before October 15, 2019 the successful Firm will provide copies of all final audit reports as follows:

1. HACR Financial Statements, Proprietary (Enterprise) Fund Type, and Independent Auditors' Report in accordance with Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C 2501-3520).
2. HACR Required Supplemental Information and Independent 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. HACR Other Supplementary Information and Independent 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).
4. Desert Rose Apartments Financial Statements, Proprietary (Enterprise) Fund Type and Independent 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).
5. Riverside Community Housing Corp. (RCHC) Financial Statements and Single Audit.
6. 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).
7. Once completed, the successful Firm will be required to submit to the HACR a total of ten (10) copies of the Single Audit Report.
8. The successful Firm shall conduct the audit in full conformance with OMB Circular A-133.
9. The successful Firm 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.
10. In addition to the audit of the basic financial statements, and the requirements of the Single Audit Acts and OMB Circular A-133, the successful Firm may be required to perform the following:
 - a. Form SF-SAC: The successful Firm 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 other listed requirements.

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4.0 PROPOSAL FORMAT:

- 4.1 Tabbed Proposal Submittal:** The HACR intends to evaluate the proposals pursuant to a "Best Value" basis, not a "Low Proposal" basis ("Best Value," in that the HACR will, as detailed within Section 5.0 below, consider factors other than just cost in making the award decision) to select the successful Firm. 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 numbered sequence noted below. Each category must be separated by numbered index dividers or tabs (extending so that each tab can be located without opening the proposal) and labeled with the corresponding tab reference. None of the proposed services may conflict with any requirement the HACR has published herein or has issued by addendum.

Each proposal should include sections addressing the following information in the order shown. The Firm should be sure to include all information that it feels will enable the Evaluation Committee to make a decision. Failure of the Firm to provide specific, detailed information may result in its proposal being rejected in favor of a sufficiently-detailed proposal. Any necessary exhibits or other information, including information not specifically requested by this RFP but that the Firm believes would be helpful, should be attached to the end of the proposal under TAB 11. The party submitting the materials should keep in mind the limitations on confidential information described in Section 1.11.

TAB 1 - Proposal Submittal Checklist:

This Form is attached hereto as Attachment A to this RFP document and incorporated herein by this reference. This one page form must be fully completed, executed where provided thereon and submitted under this tab as a part of the proposal submittal.

TAB 2 - Form of Proposal:

This form is attached hereto as Attachment B 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.

TAB 3 - Profile of Firm:

The Profile of Proposer's Firm form is attached hereto as Attachment C to this RFP document and incorporated herein by this reference. This 3-page form must be fully completed executed and submitted under this tab as a part of the proposal submittal.

TAB 4 - Cover Letter:

Provide a one page cover letter on your letterhead that includes the address, voice and facsimile numbers, and e-mail address of the contact person or persons. List the name and title of each person authorized to represent the Firm/Company in negotiations.

TAB 5 - Qualifications and Experience:

1. Provide a statement of qualifications for your organization, including an organization chart, a statement of the size of firm, a description of services provided by your

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

organization, and a statement of the extent of experience/history providing the services requested by this RFP.

2. How many full time employees (FTEs) do you plan to assign to this project if you are selected?
3. How many people in total are employed by your company? Delineate between employees and consultants.
4. If applicable, list the professional qualifications for each individual that would be assigned to provide services requested by this RFP, including date and educational institutions of any applicable degrees, additional applicable training, and any professional certifications and/or licensing. In lieu of listing this information, you may submit a resume or curriculum vitae for each such individual if the resume/CV includes all the requested information.

TAB 6 - Proposed Approach:

This section describes your proposed approach for meeting the Scope of Services required, as listed above. Relevant considerations include the quality and feasibility of your approach to meeting these needs, the manner in which you plan to provide adequate staffing (if applicable), and equipment or other resources provided by you (if applicable). Keep these considerations in mind as you respond to the following:

1. Describe how you will fulfill the needs described in this RFP. Attach a project plan, if appropriate.
2. List your needs for physical space and/or equipment during this engagement, if any, aside from space or equipment that would be provided by the HACR as an obvious aspect of the requested services (for example, computers to document services, etc.).
3. Identify how you will meet all other aspects of the Scope of Services and related requirements stated above. List any items that you cannot provide.

TAB 7 - Customer Service:

1. In the event of a problem, who is to be contacted within your organization?
2. In the event of the identification of a problem by the HACR or RCHC, describe how you will address such problems and the timeframe for addressing them.

TAB 8 - Cost Analysis and Budget for Primary Services:

1. Provide an itemized budget and a detailed explanation for all costs associated with your firm providing the requested services, including but not limited to:
 - a. Itemize and provide a proposal of costs detailed above in the Scope of Services.
 - b. Is travel time to other required locations expected to be billable? If so, how will travel time invoices be calculated? Generally, proposals that do not include travel

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time or expenses are preferred unless the services requested require travel as part of the service.

- c. Include start-up costs, if any.

TAB 9 - References:

1. List at least three (3) business references for which you have recently provided similar services. Include contact names, titles, phone numbers and e-mail addresses for all references provided.

TAB 10 - Equal Employment Opportunity: The Firm must submit under this tab a copy of its Equal Opportunity Employment Policy.

TAB 11 - (Optional Item) Other Information: The Firm may include hereunder any other general information that it believes is appropriate to assist the HACR in its evaluation. Section 3 statements may also be placed here.

If no information is to be placed under any of the above noted tabs (especially the "Optional" tab), please place thereunder 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.

Unless the Firm is an individual, all proposals must be signed with a firm/company/partnership/entity name and by a responsible officer or employee indicating that officer or employee's authorization to commit the Firm to the terms of the proposal. Obligations assumed by such signature must be fulfilled.

4.2 Proposal Submittal Binding Method: It is preferable and recommended that the Firm 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 then conveniently return the proposal submittal to its original condition.

4.3 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 one (1) original signature copy (marked "ORIGINAL") and three (3) exact copies (each of the three proposal submittals shall have a cover and extending tabs) of the proposal submittal, shall be placed unfolded in a sealed package and addressed to:

**The Housing Authority of the County of Riverside
Attention: George Eliseo, Contracting Officer
5555 Arlington Avenue, Riverside, CA 92504**

The package exterior must clearly denote the following: "RFP No. 2018-003 Financial Audit Service" and "Sealed Proposal" and must have the Firm'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 Submission Conditions: *DO NOT FOLD OR MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED.* Firms 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

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

that are submitted to the HACR by the Firm, 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 Firm that does so is thereby agreeing to confirm all notices that the HACR delivers to them as instructed, and by submitting a proposal, the Firm is thereby agreeing to abide by all terms and conditions published herein and by addendum pertaining to this RFP.

- 4.5 Submission Responsibilities:** It shall be the responsibility of each Firm 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 but not limited to this RFP document, the documents listed within the following sections, and any addenda and required attachments submitted by the Firm. By virtue of completing, signing and submitting the completed documents, the Firm is stating their agreement to comply with all conditions and requirements set forth within those documents.
- 4.6 Proprietary Information:** To the extent not prohibited by applicable law, if a Firm does not desire certain proprietary information in their proposal disclosed, the Firm is required to identify all proprietary information in the proposal, which identification shall be submitted concurrently with the proposal. If the Firm fails to identify its proprietary information, it agrees by submission of its proposal that those sections shall be deemed non-proprietary and may be made available upon public request after a contract award. Any proposals received in connection with this RFP may be subject to disclosure pursuant to the California Public Records Act (Government Code Section 6250 et seq.)
- 4.7 Firm's Responsibilities--Contact with the HACR:** It is the responsibility of the Firm to address all communication and correspondence pertaining to this RFP process to the CO only! Firms must not make inquiry or communicate with any other HACR staff member or official (including 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 Firm who may has not abided by this directive!
- 4.8 Addendums:** All questions and requests for information must be addressed in writing to the CO. The CO will respond to all such inquiries in writing by addendum to all prospective Firms (i.e. firms or individuals that have obtained the RFP Documents). During the RFP solicitation process, the CO 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 Firm when other prospective Firms are not present) conversations that may give one prospective Firm an advantage over other prospective Firms. This does not mean that prospective Firms may not call the CO, it simply means that, other than making replies to direct the prospective Firm where their answer has already been issued within the solicitation documents, the CO may not respond to the prospective Firm's inquiries but will direct them to submit such inquiry in writing so that the CO may more fairly respond to all prospective Firms in writing by addendum.
- 4.9 Recap of Attachments:** It is the responsibility of each Firm to verify that they have downloaded the following attachments pertaining to this RFP, which are hereby incorporated herein by this reference:

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Attachment	Description
A	Proposal Submittal Checklist
B	Form of Proposal
C	Profile of Proposer's Firm Form
D	Financial Statements for FYE June 30, 2018 and Reports on Internal Control and Compliance
E	Sample HACR Contract (Note: This contract is being given as a sample only. HACR reserves the right to revise any clause herein and/or to include within the ensuing contract any additional clauses that are in its best interests)
F	Additional Federal Requirements
G	Required HUD Forms 5369-B / 5369-C

(Continued on Next Page)

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5.0 PROPOSAL EVALUATION:

5.1 Evaluation Factors: The following factors will be utilized by the HACR to evaluate each proposal received; award of points for each listed factor will be based upon the documentation that the Firm submits within their proposal:

A. Qualifications and Experience:

Maximum Points: 30

As indicated under Tab 5, the Firm's qualifications and prior experience, including capability and experience of its key personnel, including their resumes and history of successfully performing similar services for public or private agencies.

B. Proposed Approach:

Maximum Points: 10

As indicated under Tab 6, the Firm's proposed approach to conducting the AI, including clarity of understanding of the scope of services to be provided and appropriateness of the proposed solution/services, as well as the ability to meet any required timelines or other requirements.

C. Customer Service:

Maximum Points: 10

As indicated under Tab 7, the Firm's approach to customer service and coordination with the HACR.

D. Cost Analysis and Budget for Primary Services:

Maximum Points: 10

As indicated under Tab 8, the Firm's itemized budget and a detailed explanation for all costs associated with providing the requested services and an itemized proposal of costs including the community participation processes.

E. References:

Maximum Points: 20

As indicated under Tab 9, a comprehensive list of the Firm's references for other public and private entities that it has provided these same or similar services.

F. Lowest Overall Price:

Maximum Points: 20

The Firm with the lowest overall cost for the primary services described by this RFP will receive the maximum amount of points and the next highest Firms will each receive a percentage thereafter.

5.2 Evaluation Methods and Process:

A. Initial Evaluation for Responsiveness: Each proposal received will first be evaluated for responsiveness (e.g., meets the minimum of the published

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requirements). The HACR reserves the right to reject any proposals deemed by the HACR not minimally responsive (the HACR will notify such firms in writing of any such rejection).

- B. Evaluation Packet for Proposals Deemed Responsive:** Internally, an evaluation packet will be prepared for each evaluator, including the following documents: Score Sheet for each Firm and a copy of all pertinent RFP documents.
- C. 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 Firm 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 Firm 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 this RFP, the designated CO is the only person at the HACR that the Firms shall contact pertaining to this RFP. Failure to abide by this requirement may (and most likely will) cause such Firm(s) to be eliminated from consideration for award.
- D. Evaluation:** The CO will evaluate and award points pertaining to the lowest overall price. 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 the listed Evaluation Factors. Upon final completion of the proposal evaluation process, the evaluation committee will forward the completed evaluations to the CO.
- E. 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 a timely manner as possible, but in any case within no longer than 5 days after the beginning of such negotiations with the firms deemed to be in the competitive range.
- F. Determination of Top-ranked Firm:** Typically, the subjective points awarded by the evaluation committee will be combined with the objective points awarded by the CO to determine the final rankings, which is customarily forwarded by the CO to the Executive Director (ED) or designee 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, in the BOC's sole and absolute discretion, if necessary. Contract negotiations may, at the HACR's option, be conducted prior to or after the BOC approval.
- G. Minimum Evaluation Results:** To be considered to receive an award a Firm must receive a calculated average of at least 70% of the Subjective Total Score.
- H. 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."

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- I. Notice of Results of Evaluation:** If an award is completed, all Firms will receive by e-mail a Notice of Results of Evaluation. Such notice shall inform all Firms of the following: (1) Which Firm received the award, (2) Where each Firm placed in the process as a result of the evaluation of the proposals received, (3) The cost or financial offers received from each Firm, (4) Each Firm's right to a debriefing and to protest.
- J. Proposal Protest:** Any prospective or actual Firm, who is allegedly aggrieved in connection with the solicitation of a proposal or award of a contract, shall have the right to protest. To be eligible to file a protest with the HACR pertaining to an RFP or contract, the alleged aggrieved protestant must have been involved in the RFP process in some manner as a prospective proposed buyer (i.e. registered, downloaded and received the RFP documents) when the alleged situation occurred. The alleged aggrieved protestant must file, in writing, to HACR the exact reason for the protest, attaching any supportive data. The protestant must state within the written protest document specifically (not by inference) what action by the HACR or condition is being protested as inequitable, making, where appropriate specific reference to the RFP documents issued and including the specific citation of law, rule, regulation, or procedure upon which the protest is based. The protest document must also state the corrective action requested. Failure by the alleged aggrieved protestant to fully submit such information shall relieve HACR from any responsibility to take any corrective action, and as a result of noncompliance, the appeal will be dismissed without further review. The HACR has no obligation to consider a protest filed by any party that does not meet these criteria. Any protest against a solicitation must be received before the due date for the receipt of proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the Firm receives notice of the contract award, or the protest will not be considered. All proposal protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. All appeals shall be marked as follows and sent to the address listed below:

**APPEAL OF RFP NO. 2018-003
The Housing Authority of the County of Riverside
Attn: George Eliseo, Contracting Officer
5555 Arlington Avenue Riverside, CA 92504**

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

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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:

By completing, executing and submitting the Form of Proposal, (Attachment B), the Firm 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 Contract form (Attachment E)." Accordingly, the HACR has no responsibility to conduct after the submittal deadline any negotiations pertaining to the contract clauses already published; and in any case the HACR has no power or authority to negotiate any clauses contained within any attached HUD documents.

Depending on the amount of the award, the HACR will forward the contract to the County Board of Commissioners (BOC) for review and approval/disapproval, in their sole and absolute discretion, prior to signing the contract with the selected Firm.

The contract shall be awarded subject to a resolution or minute order to that effect duly adopted by the County BOC, in their sole and absolute discretion. Execution of the contract documents shall constitute a written memorial thereof.

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

- 6.3 Contract Form:** The HACR will not execute a contract on the successful Firm's form. Contracts will only be executed on the HACR's form (please see the Sample Contract under Attachment E), and by submitting a proposal the successful Firm agrees to do so (please note that the HACR reserves the right to amend the HACR Sample Contract form as the HACR deems necessary). **Please note that the HACR has no legal right or ability to (and will not) at any time negotiate any clauses contained within ANY of the HUD forms included as a part of this RFP.**

- 6.4 Assignment of Personnel:** The HACR shall retain the right to demand and receive a change in personnel assigned to the work performed pursuant to this RFP and the contract if the HACR believes that such change is in the best interest of the HACR and the completion of the contracted work.

- 6.5 Unauthorized Sub-Contracting Prohibited:** The successful Firm 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 in his/her sole and absolute discretion. 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 successful Firm as a result of the proposed contract; as determined by the CO in his/her sole and absolute discretion.

- 6.6 Contract Period:** The HACR anticipates that it will initially award a contract for the period of one (1) year with the option, at the HACR's discretion, of two (2) additional one-year option periods, for a maximum total of three (3) years.

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- 6.7 Licensing and Insurance Requirements:** Prior to any individual contract award (but not as a part of the proposal submission) the *successful Firm* will be required to provide the following during the term of the contract:
- 6.8 Insurance:** Without limiting or diminishing the Firm's obligation to indemnify or hold the HACR harmless, Firm shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of the contract. As respects to this insurance section only, the HACR herein refers to the Housing Authority of the County of Riverside, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds.
- 6.9 Workers' Compensation:** If the Firm has employees as defined by the State of California, the Firm 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 HACR.
- 6.10 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 Firm's performance of its obligations hereunder. Policy shall name the HACR, its Agencies, Districts, Special Districts, Consultants, and Departments, their Directors, Officers, Board of Supervisors, Board of Commissioners, employees, elected or appointed officials, agents or representatives 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 the contract or be no less than two (2) times the occurrence limit.
- 6.11 Vehicle Liability:** If vehicles or mobile equipment are used in the performance of the obligations under the contract, then Firm 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 the contract or be no less than two (2) times the occurrence limit. Policy shall name the Housing Authority of the County of Riverside, the County of Riverside, its Agencies, Districts, Special Districts, Consultants, Departments, their Directors, Officers, Board of Supervisors, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds.
- 6.12 Professional Liability:** The successful Firm shall maintain Professional Liability Insurance providing coverage for the successful Firm's performance of work included within the contract, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Firm's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of the contract and Firm shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of the contract; or 3) demonstrate through Certificates of Insurance that the

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Firm 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.

6.13 General Insurance Provisions - All lines:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an AM 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 successful Firm must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence, each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under the contract. Upon notification of self-insured retention unacceptable to the HACR, and at the election of the County's Risk Manager, Firm's carriers shall either; 1) reduce or eliminate such self-insured retention as respects the contract with the HACR, or 2) procure a bond, which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. Successful Firm shall cause Firm's insurance carrier(s) to furnish the HACR 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 HACR 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, the Contract shall terminate forthwith, unless the HACR 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. ***Firm shall not commence operations until the HACR 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 Firm's insurance shall be construed as primary insurance, and the HACR's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

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- e. If, during the term of the 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 the contract, including any extensions thereof, exceeds five (5) years; the HACR reserves the right to adjust the types of insurance and the monetary limits of liability required under the contract, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Firm has become inadequate.
 - f. Firm shall pass down the insurance obligations contained herein to all tiers of subcontractors working under the contract.
 - g. The insurance requirements contained in the contract may be met with a program(s) of self-insurance acceptable to the HACR.
 - h. The Firm agrees to notify HACR of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of the contract.
- 6.14 State Business License.** A copy of the Firm's license issued by the State of California licensing authority allowing the Firm to provide the services detailed herein, if such a license is required.
- 6.15 Registration as a California Business Entity.** Registration with the California Secretary of State as a California Business Entity is mandatory to do business with the HACR. Firms outside of California should visit the California Secretary of State website at <http://www.sos.ca.gov/> for additional registration information.
- 6.16 Right to Negotiate Final Fees:** The HACR shall retain the right to negotiate the amount of fees that are paid to the successful Firm, meaning the fees proposed by the top-rated Firm may, at the HACR's discretion, be the basis for the beginning of negotiations. Such negotiations shall begin after the HACR has chosen a top-rated Firm. 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 Firm. The HACR shall also retain the right to negotiate with and make an award to more than one Firm, 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).
- 6.17 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.
- 6.18 Attachments:** Each of the attachments and exhibits attached hereto are incorporated herein by this reference.

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ATTACHMENT A

“Proposal Submittal Checklist”

(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. 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 submitted by the Firm. Also, complete the Section 3 Statement and the Firm’s Statement as noted below:

X=ITEM INCLUDED	SUBMITTAL ITEMS <i>(Three copies of each proposal, including one with original signatures)</i>
_____	Tab 1 Proposal Submittal Checklist (Attachment A)
_____	Tab 2 Form of Proposal (Attachment B)
_____	Tab 3 Profile of Proposer Firm Form (Attachment C)
_____	Tab 4 Cover Letter
_____	Tab 5 Qualifications and Experience
_____	Tab 6 Proposed Approach
_____	Tab 7 Customer Service
_____	Tab 8 Cost Analysis and Budget for Primary Services
_____	Tab 9 References
_____	Tab 10 Equal Employment Opportunity Policy
_____	Tab 11 Other Company Information (Optional)

FIRM’S STATEMENT

The undersigned Firm hereby states that by completing and submitting this form and all other documents within this proposal, they are verifying that all information provided herein is, to the best of their knowledge, true and accurate, and that if the HACR discovers that any information entered herein to be false, such shall entitle the HACR to not consider or make award or to cancel any award with the undersigned party.

Further, by completing and submitting the proposal, the undersigned Firm is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the HACR, including an agreement to execute the HACR Sample Contract, attached to this RFP as Attachment E.

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 HACR with the services described herein for the fee(s) entered herein.

Signature

Date

Printed Name

Company

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ATTACHMENT B

FORM OF PROPOSAL

(This Form must be fully completed and placed under Tab No. 2 of the "hard copy" tabbed proposal submittal.)

- A. Form:** Each Firm shall submit their proposed fees on this form only, which shall be completed, signed and returned to the HACR with the completed Proposal.
- B. Entry of Proposed Fees:** Each Firm must enter the proposed fees for each of the following Pricing Items where provided. Such fees shall be all-inclusive of all related costs that the Firm will incur to provide the listed services, including, but not limited to (unless otherwise stated herein): sales tax, employee wages and benefits; clerical support; overhead; profit; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; document copying; etc. "No Proposal" is not allowed for any item, although a "No Charge" is allowed for one or more of the Pricing Items.
- C. Pricing Items:**

Item #	QTY.	U/M	Description	Fee
1	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2019	\$
2	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2020	\$
3	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2021	\$
4	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2019	\$
5	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2020	\$
6	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2021	\$
7	20	Hours	Financial Consultant's Fee (for additional work that the HACR will require the successful Firm to provide that is not otherwise stated herein)	\$
Total of all Fees/Costs:				\$

Date: _____ Company: _____

Print Name: _____ Signature: _____

Office Phone _____ Mobile Phone _____ Email Address _____

Business Address: _____

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ATTACHMENT C

“PROFILE OF PROPOSER’S FIRM”

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

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

E-Mail: _____

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

(3) **Please attach a brief biography/resume of the company**, including the following information:
(a) Year Firm Established; (b) Former Name and Year Established (if applicable); (c) Name of Parent Company and Date Acquired (if applicable).

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

NAME	TITLE	% OF OWNERSHIP

(5) 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

(6) Firm 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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(7) Federal Tax ID No.: _____

(8) County of Riverside Business License No.: _____

(9) State of California Business Entity Number (Secretary of State): _____

(10) Worker's Compensation Insurance Carrier: _____
Policy No.: _____ Expiration Date: _____

(11) General Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____

(12) Professional Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____

(13) Has your firm or any member of your firm been a part to litigation with a public entity?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(14) Is your firm currently involved in local, County, State, Federal mortgage foreclosure proceedings or currently 90 days in arrears on a local public or private loan?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(15) Is your firm currently in rem foreclosure or substantial tax arrears with a City/County or local jurisdiction?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(16) Has, or is this firm or any member of your firm currently in default on any contract obligation or agreement of any kind entered into with a City/County or local public agency?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(17) In the past 10 years, has your firm or any member of your firm failed to qualify as a responsible bidder, or refused to enter into a contract after an award has been made, privately or with any government agency?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(18) In the last 7 years, has your firm filed a bankruptcy petition or been the subject of involuntary bankruptcy proceedings?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(19) In the last 10 years, failed to file any required tax returns, or failed to pay any applicable Federal, State of California, or County of Riverside or other fees?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(20) Does your firm or any member of your firm have a record of substantial Building Code Violations or litigation against properties owned by the firm or by any entity or individual that comprises the Firm?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(21) Has your firm or any member of your firm been convicted for fraud, bribery, or grand larceny?
Yes No Initials _____
If yes, when, with who and state the circumstances and any resolution.

(22) Has your firm or any member of your firm ever sued or been sued by the Housing Authority of the County of Riverside or its affiliated entities?
Yes No Initials _____
If yes, when and state the circumstances and any resolution of the lawsuit.

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(23) Has your firm or any member of your firm ever had a claim brought against because of breach of contract or nonperformance? Yes No Initials _____

If yes, when and state the circumstances and any resolution of the matter.

(24) 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 California, or any local government agency within or without the State of California? Has this firm been de-designated as a developer of any government sponsored or publicly assisted project?

Yes No Initials _____

If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

(25) Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner or Officer of the HACR? Yes No

Initials _____

If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

(26) Non-Collusive Affidavit: The undersigned party submitting this bid hereby certifies that such bid is genuine and not collusive and that said bidder 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 bidder or to secure any advantage against the HACR or any person interested in the proposed contract; and that all statements in said bid are true.

Initials _____

(27) Verification Statement: The undersigned bidder hereby states that by completing and submitting this bid 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 HACR discovers that any information entered herein is false, that shall entitle the HACR to not consider nor make award or to cancel any award with the undersigned party.

Initials _____

Signature

Date

Printed Name

Company

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
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ATTACHMENT D

Financial Statements

(behind this page)

Housing Authority of the County of Riverside

Notes to Financial Statements

Year Ended June 30, 2018

15. COMBINING STATEMENTS
Combining Statements of Net Position
June 30, 2018

	Housing Authority of the County of Riverside	Blended Component Unit Riverside Community Housing Corporation	Eliminations	Primary Government Total
ASSETS				
Current Asset				
Cash and cash equivalents	\$ 17,978,570	\$ 788,609	\$ -	\$ 18,767,179
Receivables (net of allowance)	3,865,491	936,401	(2,696,991)	2,104,901
Investments	1,392,725	-	-	1,392,725
Prepaid expenses and other current assets	-	-	-	-
Inventory (net of allowance)	-	-	-	-
Assets held for sale	38,099,206	-	-	38,099,206
Total Current Assets	61,335,992	1,725,010	(2,696,991)	60,364,011
Non-Current Assets				
Capital assets (net of accumulated depreciation)	5,020,397	9,717,164	-	14,737,561
Receivables (net of current)	91,248,629	119,335	-	91,367,964
Other noncurrent assets	-	-	-	-
Total Non-Current Assets	96,269,026	9,836,499	-	106,105,525
TOTAL ASSETS	157,605,018	11,561,509	(2,696,991)	166,469,536
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 5,383,747	\$ 1,190,573	\$ -	\$ 6,574,320

Housing Authority of the County of Riverside

Notes to Financial Statements
Year Ended June 30, 2018

15. COMBINING STATEMENTS
Combining Statements of Net Position (continued)
June 30, 2018

	Housing Authority of the County of Riverside	Blended Component Unit Riverside Community Housing Corporation	Eliminations	Primary Government Total
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 1,847,867	\$ 875,704	\$ (2,696,991)	\$ 26,580
Accrued expenses	981,930	158,231	-	1,140,161
Deposits held in trust	37,795	328,672	-	366,467
Unearned revenue	176	68,570	-	68,746
Debt	200,000	-	-	200,000
Other current liabilities	-	-	-	-
Total Current Liabilities	3,067,768	1,431,177	(2,696,991)	1,801,954
Non-Current Liabilities				
Debt (net of current)	8,322,295	3,704,000	-	12,026,295
Accrued expenses (net of current)	1,229,210	294,075	-	1,523,285
Other non-current liabilities	779,243	-	-	779,243
Net pension liability and other post employment benefits	11,710,210	2,542,240	-	14,252,450
Total Non-Current Liabilities	22,040,958	6,540,315	-	28,581,273
TOTAL LIABILITIES	25,108,726	7,971,492	(2,696,991)	30,383,227
TOTAL DEFERRED INFLOWS OF RESOURCES	2,134,486	332,607	-	2,467,093
NET POSITION				
Net investment in capital assets	(3,503,040)	6,013,164	-	2,510,124
Restricted	14,971,065	-	-	14,971,065
Unrestricted	124,277,528	(1,565,181)	-	122,712,347
TOTAL NET POSITION	\$ 135,745,553	\$ 4,447,983	\$ -	\$ 140,193,536

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ATTACHMENT E

"Sample HACR Contract"

(behind this page)

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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

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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

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**Exhibit "A"
Scope of Services**

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ATTACHMENT F

“Additional Federal Requirements”

Whereas the work may be subject to applicable Federal, State, and local laws and regulations, including but not limited to the regulations pertaining to the Community Development Block Grant program (24 CFR Part 570) and the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200). Contractor, sub-contractors, consultants, and sub-consultants agree to comply with, and are subject to, all applicable requirements as follows:

1. Equal Employment Opportunity - Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60): The Contractor/Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Contractor/Consultant will ensure that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin. The Contractor/Consultant will take affirmative action to ensure that applicants are employed and the employees are treated during employment, without regard to their race color, religion, sex, or national origin. Such actions shall include, but are not limited to, the following: employment, up-grading, demotion, or transfer; recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor/Consultant agrees to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by the County setting forth the provisions of this non-discriminating clause.

2. Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c: All contracts and subgrants in excess of \$2,000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.

3. Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7: When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.

4. Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333): Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety

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Standards Act (40 U.S.C. 327–333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. Rights to Inventions Made Under a Contract or Agreement: Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.

6. Rights to Data and Copyrights: Contractors and consultants agree to comply with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part 27.4, Federal Acquisition Regulations (FAR).

7. Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended: Contracts and sub-grants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).

8. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

9. Debarment and Suspension (E.O.s 12549 and 12689): No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

10. Drug-Free Workplace Requirements: The Drug-Free Workplace Act of 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

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11. Access to Records and Records Retention: The Consultant or Contractor, and any sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or County/HACR officials or authorized representatives access to the work area, as well as all books, documents, materials, papers, and records of the Consultant or Contractor, and any sub-consultants or sub-contractors, that are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions. The Consultant or Contractor, and any sub-consultants or sub-contractors, further agree to maintain and keep such books, documents, materials, papers, and records, on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this agreement.

12. Federal Employee Benefit Clause: No member of or delegate to the congress of the United States, and no Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

13. Energy Efficiency: Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).

14. Procurement of Recovered Materials (2 CFR 200.322.): A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only 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, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

ATTACHMENT G

“Required HUD Forms: 5369-B / 5369-C”

(behind this page)

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Certifications and Representations of Offerors

Non-Construction Contract

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Public reporting burden for this collection of information is estimated to average 5 minutes 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.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

- (1) has, has not employed or retained any person or company to solicit or obtain this contract; and
- (2) has, has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

- (a) is, is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) is, is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) is, is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

- (1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

- (1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);
(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

(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 a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of 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 HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

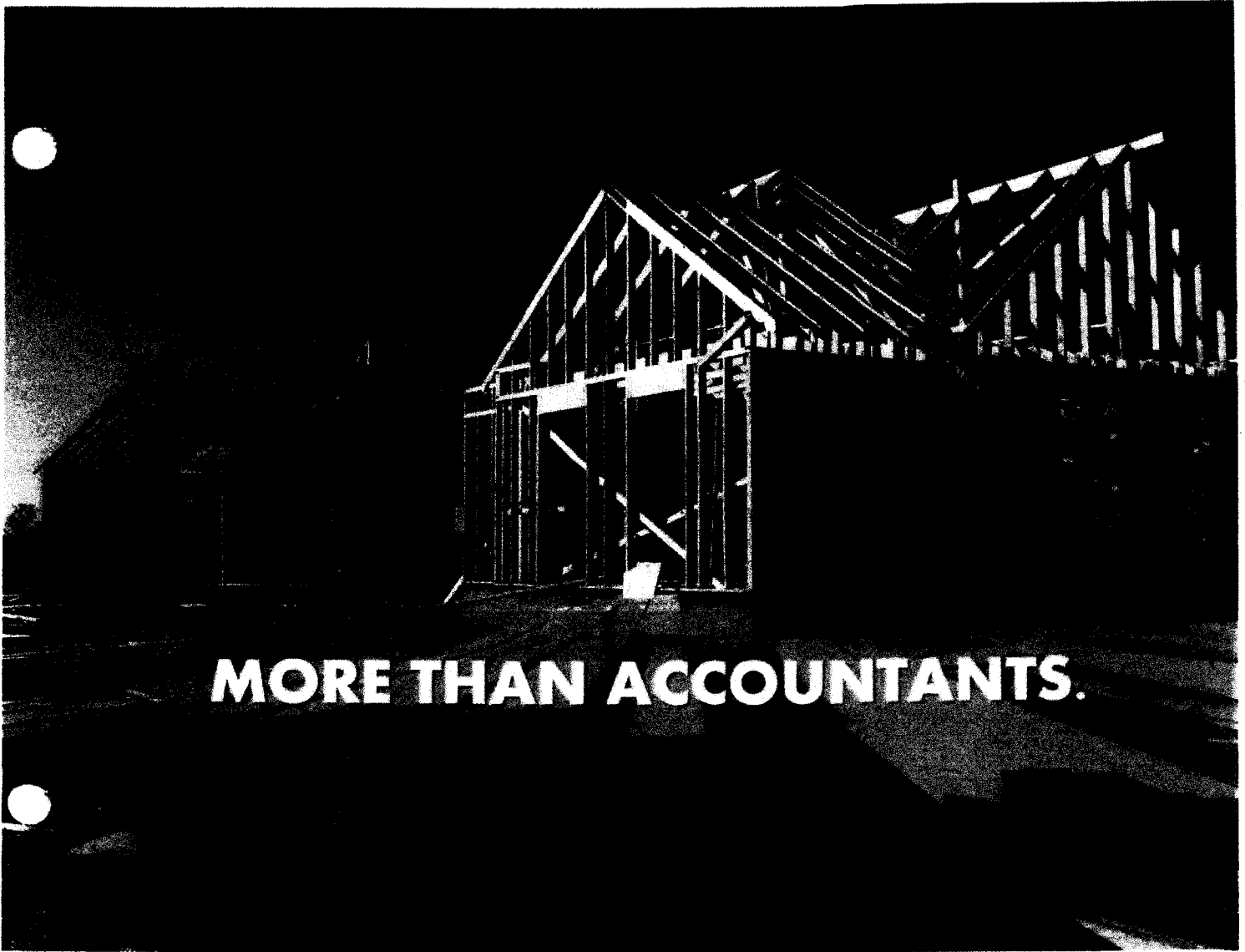
Title:

EXHIBIT C

Smith Marion & Co. Proposal in Response to RFP No. 2018-003

(behind this page)

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PROPOSAL FOR ANNUAL AUDITING SERVICES SOLICITATION NO. 2018-003



HOUSING AUTHORITY of the COUNTY of RIVERSIDE

Prepared for you by: Douglas E. Englehart, CPA, MSA, Principal

T: 909-307-2323 · E: denglehart@smcocpa.com · 1940 Orange Tree Lane Ste 100 – Redlands – CA - 92374



Federal I.D. No.: 83-1445511 · CA State Board of Accountancy License No.: 7381

 ORIGINAL

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- HUD Form 5369-C (Attach. G)
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- Section 3 Business Preference Documentation (N/A)
- Peer Review Report
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- Summary of Insurance Coverage

Communication. Guidance. Confidence.

TAB 1 Proposal Submittal Checklist (Attachment A)

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

ATTACHMENT A

"Proposal Submittal Checklist"

(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. 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 submitted by the Firm. Also, complete the Section 3 Statement and the Firm's Statement as noted below:

<u>X=ITEM INCLUDED</u>	<u>SUBMITTAL ITEMS (Three copies of each proposal, including one with original signatures)</u>
<u>X</u>	Tab 1 Proposal Submittal Checklist (Attachment A)
<u>X</u>	Tab 2 Form of Proposal (Attachment B)
<u>X</u>	Tab 3 Profile of Proposer Firm Form (Attachment C)
<u>X</u>	Tab 4 Cover Letter
<u>X</u>	Tab 5 Qualifications and Experience
<u>X</u>	Tab 6 Proposed Approach
<u>X</u>	Tab 7 Customer Service
<u>X</u>	Tab 8 Cost Analysis and Budget for Primary Services
<u>X</u>	Tab 9 References
<u>X</u>	Tab 10 Equal Employment Opportunity Policy
<u>X</u>	Tab 11 Other Company Information (Optional)

FIRM'S STATEMENT

The undersigned Firm hereby states that by completing and submitting this form and all other documents within this proposal, they are verifying that all information provided herein is, to the best of their knowledge, true and accurate, and that if the HACR discovers that any information entered herein to be false, such shall entitle the HACR to not consider or make award or to cancel any award with the undersigned party.

Further, by completing and submitting the proposal, the undersigned Firm is thereby agreeing to abide by all terms and conditions pertaining to this RFP as issued by the HACR, including an agreement to execute the HACR Sample Contract, attached to this RFP as Attachment E:

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 HACR with the services described herein for the fee(s) entered herein.

Douglas Englishart Dec-31-18 Douglas Englishart Smith Marion
Signature Date Printed Name Company

TAB 2 Form of Proposal (Attachment B)

**REQUEST FOR PROPOSALS (RFP) NO. 2018-003
FINANCIAL AUDIT SERVICE**

ATTACHMENT B

FORM OF PROPOSAL

(This Form must be fully completed and placed under Tab No. 2 of the "hard copy" tabbed proposal submittal.)

- A. Form:** Each Firm shall submit their proposed fees on this form only, which shall be completed, signed and returned to the HACR with the completed Proposal.
- B. Entry of Proposed Fees:** Each Firm must enter the proposed fees for each of the following Pricing Items where provided. Such fees shall be all-inclusive of all related costs that the Firm will incur to provide the listed services, including, but not limited to (unless otherwise stated herein): sales tax; employee wages and benefits; clerical support; overhead; profit; licensing; insurance; materials; supplies; tools; equipment; long distance telephone calls; document copying; etc. "No Proposal" is not allowed for any item, although a "No Charge" is allowed for one or more of the Pricing Items.

C. Pricing Items:

Item #	QTY.	U/M	Description	Fee
1	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2019	\$ 45,900
2	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2020	\$ 45,900
3	1	Each	Firm-fixed Fee (including all expenses), HACR Annual Audit pertaining to FY2021	\$ 46,650
4	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2019	\$ 14,080
5	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2020	\$ 14,080
6	1	Each	Firm-fixed Fee (including all expenses), Annual Audit for RCHC pertaining to FY2021	\$ 15,640
7	20	Hours	Financial Consultant's Fee (for additional work that the HACR will require the successful Firm to provide that is not otherwise stated herein)	\$ 3,500
Total of all Fees/Costs:				\$ 185,750

Date: Dec-31-18 Company: Smith Marion

Print Name: Douglas Englehart Signature: 

909-307-2323 909-838-4290 Denglehart@smcocpa.com
Office Phone Mobile Phone Email Address

Business Address: 1940 Orange Tree Lane Ste 100, Redlands, CA, 92374