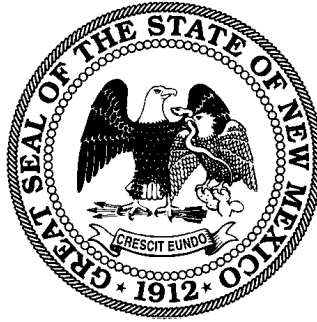


STATE OF NEW MEXICO



DEPARTMENT OF FINANCE AND ADMINISTRATION

FINANCIAL CONTROL DIVISION

**REQUEST FOR PROPOSALS**

FROM

CERTIFIED PUBLIC ACCOUNTANTS

FOR

AUDIT SERVICES

RFP # 19-341-19-14155

Issuance Date:  
April 5, 2019

Due Date:  
May 3, 2019

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## **I. INTRODUCTION**

### **A. Purpose**

The purpose of this Request for Proposals (“RFP”) is to solicit proposals, in accordance with the Procurement Code (Chapter 13, Article 1 NMSA 1978); GSD Rule 1.4.1 NMAC, Procurement Code Regulations, if applicable; and DFA Rule 2.40.2 NMAC, Governing the Approval of Contracts for the Purchase of Professional Services, from qualified firms of certified public accountants (“Offeror”) to perform the audit of the State of New Mexico’s Comprehensive Annual Financial Report (“CAFR”) for the fiscal year ended June 30, 2019, with the option to renew the contract for two additional subsequent fiscal years. These audits are to be performed in accordance with auditing standards issued by the Comptroller General of the United States, *Government Auditing Standards*, and the New Mexico State Auditor Rule, *Requirements for Contracting and Conducting Governmental Audits* (2.2.2 NMAC). NMSA 1978, Section 13-1-191.1 requires prospective contractors to complete a standard campaign contribution disclosure form and submit it as part of the proposal.

Because the State of New Mexico’s federal programs are awarded to, and administered by, specific state departments, agencies, boards and commissions, the State of New Mexico does not currently undergo a statewide Single Audit. Single audits are conducted at each department, agency, board, commission and component unit level annually in conjunction with their financial statement audit. Therefore, the RFP for audit services for the 2019 CAFR does not include a section for a Single Audit.

### **B. Background and General Information**

NMSA 1978, Chapter 6, Article 5, Section 4.1 requires the State of New Mexico (“State”), Department of Finance and Administration (“DFA”), Financial Control Division (“FCD”) to compile a comprehensive annual financial report. NMSA 1978, Chapter 12, Article 6, Section 3.A. of the Audit Act requires the comprehensive annual financial report for the state to be audited each year.

The CAFR is prepared in accordance with United States Generally Accepted Accounting Principles (“GAAP”) for governments as promulgated by the Governmental Accounting Standards Board (“GASB”). The State of New Mexico has issued an annual CAFR since 1995: beginning in 2002, the CAFR has been reviewed by a certified public accounting firm which has issued an independent accountant’s report for fiscal year. Starting with fiscal year

2013's report, the CAFR has been fully audited.

For financial reporting purposes, the State of New Mexico's primary government includes all funds of the State, its three branches of government, departments, agencies, boards, commissions, special schools and state universities created by the Constitution of the State. The State has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. Therefore, the State's reporting entity also includes those component units that are legally separate entities, for which the State's elected officials are financially accountable. The State's component units are the following, all of which are discreetly presented except the last entity which is blended:

- New Mexico Finance Authority
- New Mexico Mortgage Finance Authority
- New Mexico Lottery Authority
- University of New Mexico Sandoval Regional Medical Center
- University of New Mexico Foundation, Inc.
- University of New Mexico Medical Group
- New Mexico State University Foundation, Inc.
- Charter Schools and Charter School Foundations administered by the State's Public Education Department
- New Mexico Military Institute Foundation, Inc.
- University of New Mexico Alumni Association, Inc.
- University of New Mexico Lobo Club
- University of New Mexico Anderson School of Management Foundation, Inc.
- STC.UNM
- Lobo Development Corporation
- Lobo Energy, Inc.
- New Mexico Institute of Mining and Technology – Research Park Corporation
- New Mexico Highlands University Foundation, Inc.
- New Mexico Highlands University Stable Isotopes Corporation
- Western New Mexico University Foundation, Inc.
- Eastern New Mexico University Foundation, Inc.

- Eastern New Mexico University Research Foundation
- Northern New Mexico College Foundation, Inc.
- New Mexico Small Business Investment Corporation (blended)

In July 2006, the State of New Mexico implemented an Oracle PeopleSoft enterprise resource planning system (ERP) referred to as SHARE (Statewide Human Resources, Accounting, and Management Reporting System) as its central accounting system. The CAFR is prepared primarily from accounts and records maintained in SHARE and the independent audit reports issued for each department, agency, board and commission across the three branches of government. The financial data for the state universities, certain governmental agencies and discretely presented component units have been derived from reports prepared by those organizations based on their independent accounting systems. One-hundred twenty-six (126) of one-hundred forty (140) governmental entities utilize the SHARE statewide centralized accounting system.

The CAFR is presented in three sections. The Introductory Section includes a transmittal letter, a list of selected state officials and an organizational chart. The Financial Section includes management's discussion and analysis, the basic financial statements and notes, the required supplementary information, and other supplementary information. The Statistical Section includes unaudited tables and financial trend information.

Interested Offerors who wish to review prior year's CAFR reports can refer to DFA's website at <http://www.nmdfa.state.nm.us> .

#### C. Qualified Offeror

DFA will only consider proposals from Offerors who are on the New Mexico State Auditor's approved firm list or other firms approved by the New Mexico State Auditor and placed on the New Mexico State Auditor's list. The firm selected **must** be approved, at the time of proposal submission, by the New Mexico State Auditor to provide audit services to New Mexico public entities. **A proposal will be disqualified if the Offeror is not on the New Mexico State Auditor's approved firm list at the time of submission.**

#### D. Summary Scope of Services

DFA desires the Offeror to perform the Scope of Work specified in the standard "State of New

Mexico Audit Contract,” a copy of which appears as Appendix A to this request for proposals. The State Auditor has selected the State of New Mexico’s CAFR financial audit for fiscal year ending June 30, 2019 as a joint venture engagement and will work with the successful Offeror to plan and obtain the corresponding portion of the contract fee, up to 30% of the engagement.

E. Procurement Manager

DFA has designated a Procurement Manager who is responsible for the conduct of this procurement whose name, address, and telephone number are listed below.

Renae Herndon,  
Department of Finance and Administration  
407 Galisteo Street  
Bataan Memorial Building, Room 168  
Santa Fe, NM 87501  
(505) 476-8527 (voice)  
(505) 827-3692 (fax)

All deliveries via express carrier **must** be addressed as follows:

Renae Herndon  
Department of Finance and Administration  
407 Galisteo Street  
Bataan Memorial Building, Room 166  
Santa Fe, NM 87501

E-Mail: [Renae.Herndon@state.nm.us](mailto:Renae.Herndon@state.nm.us)  
Phone: 505-476-8527  
Fax: 505-827-3692

Any inquiries or requests regarding this procurement **must** be submitted to the Procurement Manager in writing. Offerors may contact **ONLY** the Procurement Manager regarding the procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of DFA. Offerors contacting other state employees, including DFA employees, other than the Procurement Manager, regarding this RFP shall be disqualified from further consideration.

Except as part of an interview that may be conducted during the evaluation process, until the award is made and notice given to all Offerors, no employee, agent or representative of an Offeror will discuss the RFP or make available or discuss an Offeror’s proposal with any

officer, member, employee, agent or representative of DFA other than the Procurement Manager.

Until the award is made and notice given to all Offerors, DFA will not disclose the contents of any proposal with an Offeror or potential Offeror, so as to make the contents of any offer available to competing or potential Offerors.

#### F. Definition of Terminology

This section contains definitions or terms that are used throughout this procurement document including appropriate abbreviations.

"Agency" means the Department of Finance and Administration.

"Award" means the final execution of the contract document.

"Business hours" means 8:00 AM thru 5:00 PM Mountain Standard or Mountain Daylight Savings Time, whichever is in effect on the date given.

"CAFR" means the State of New Mexico Comprehensive Annual Financial Report.

"Confidential" means confidential financial information concerning offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act NMSA 1978 57-3-A-1 to 57-3A-7. See NMAC 1.4.1.45. As one example, no information that could be obtained from a source outside this request for proposals can be considered confidential information.

"Contract" means a written agreement for the procurement of items of tangible personal property or services or professional services.

"Contractor" means the successful Offeror who enters into a binding contract.

"CRB" means the Contracts Review Bureau for the State of New Mexico.

"Daylight Savings Time" begins March 10, 2019 at 2:00 AM and ends November 3, 2019 at 2:00 AM.

"Determination" means the written documentation of a decision by the procurement manager

including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.

"Desirable" the terms "may," "can," "should," "preferably," or "prefers" identify a desirable or discretionary item or factor (as opposed to "mandatory").

"DFA" means Department of Finance and Administration.

"Evaluation Committee" means a body appointed by DFA management to perform the evaluation of Offeror proposals.

"Evaluation Committee Report" means a report prepared by the Procurement Manager and the Evaluation Committee for submission to DFA's Management for contract award that contains all written determinations resulting from the conduct of a procurement requiring the evaluation of competitive sealed proposals.

"FCD" means the Financial Control Division of the Department of Finance and Administration.

"Final Execution" means that point at which all required signatures have been obtained on the contract and the Offeror may begin work.

"Finalist" means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

"Mandatory" the terms "must," "shall," "will," "is required," or "are required" identify a mandatory item or factor (as opposed to "desirable"). Failure to meet a mandatory item or factor will result in the rejection of the Offeror's proposal.

"Minor Technical Irregularities" means anything in the proposal that does not affect the price, quality and quantity or any mandatory requirement.

"Offeror" is any person, corporation, or partnership who chooses to submit a proposal.

"Procurement Manager" means the person or designee authorized by the Agency to manage or



administer a procurement requiring the evaluation of competitive sealed proposals.

“Procuring Agency” means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to entertain procurements.

“Redacted” means a version/copy of the proposal with the information considered confidential as defined by NMAC 1.4.1.45 and defined herein and outlined in Section II.C.8 of this RFP blacked out BUT NOT omitted or removed.

"Request for Proposals" or "RFP" means all documents, including those attached or incorporated by reference, used for soliciting proposals.

“Resident Business” means a business that has a valid resident business certificate issued by the New Mexico Taxation and Revenue Department pursuant to NMSA 1978, Section 13-1-22 but does not include a resident veteran business.

“Resident Veteran Business” means a business that has a valid resident veteran business certificate issued by the New Mexico Taxation and Revenue Department pursuant to NMSA 1978, Section 13-1-22.

"Responsible Offeror" means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his or her financial resources, production or service facilities, personnel, service reputation, and experience are adequate to make satisfactory delivery of the services described in the proposal.

"Responsive Offer" or "Responsive Proposal" means an offer or proposal which conforms in all material respects to the requirements set forth in the RFP. Material respects of a request for proposals include, but are not limited to, price, quality, quantity, or delivery requirements.

“Sealed” means, in terms of a non-electronic submission, that the proposal is enclosed in a package which is completely fastened in such a way that nothing can be added or removed. Open packages submitted will not be accepted except for packages that may have been damaged by the delivery service itself. The State reserves the right, however, to accept or reject packages where there may have been damage done by the delivery service itself. Whether a package has been damaged by the delivery service or left unfastened and should or should not be accepted is a determination to be made by the Procurement Manager. By submitting a proposal, the Offeror agrees to and concurs with this process and accepts the determination of the Procurement Manager in such cases.

“State (the State)” means the State of New Mexico.

“State Agency” means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the purchasing division of the general services department and the state purchasing agent but does not include local public bodies.

“Statement of Concurrence” means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal. (E.g. “We concur”, “Understands and Complies”, “Comply”, “Will Comply if Applicable” etc.)

“Unredacted” means a version/copy of the proposal containing all complete information including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.

“Written” means typewritten on standard 8 ½ x 11 inch paper. Larger paper is permissible for charts, spreadsheets, etc.

## II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule for the procurement, describes the major procurement events, and the conditions governing the procurement.

### A. Sequence of Events

The Procurement Manager will make every effort to adhere to the following schedule; however, the procurement manager may change the timelines for certain events as circumstances dictate:

	<u>Action</u>	<u>Responsibility</u>	<u>Date</u>
1)	Issuance of RFP	Procurement Manager	April 05, 2019
2)	Distribution List Response Due	Offeror	April 12, 2019
3)	Deadline to Submit Written Questions	Procurement Manager	April 19, 2019
4)	Response to Written Questions	Procurement Manager	April 26, 2019
5)	Submission of Proposal	Offeror	May 3, 2019
6)	Proposal Evaluation	Evaluation Committee	May 8, 2019
7)	Selection of Finalists	Evaluation Committee	May 8, 2019
8)	Oral Presentations (if required)	Evaluation Committee	May 10, 2019
9)	Notification/Recommendation to State Auditor	Procurement Manager	May 17, 2019
10)	Notify Recommended Offeror of Intended Award	Procurement Manager	Next day after State Auditor approves the recommended Offeror
11)	Finalize Contract	Procurement Manager	Within 5 business days of notifying recommended Offeror

12)	Contract Award	Procurement Manager	June 1, 2019
13)	Protest Deadline	Offeror	See NMSA 1978, Section 13-1-172; the protest period begins the day after the contract award date and ends 15 days after the date the contract is awarded

B. Explanation of Events

The following paragraphs describe the activities listed in the sequence of events shown in Section II, Paragraph A.

1. Issuance of RFP

This RFP is being issued by DFA on the date set forth in Section II.A (“Sequence of Events”). In the interest of making it easier for Offeror to prepare responses, Offeror can download the RFP in an electronic format by accessing the DFA website at: <http://www.nmdfa.state.nm.us/>. Additional copies of the RFP can be obtained from the Procurement Manager.

2. Distribution List Response Due

Potential Offeror **must** submit electronically, by hand delivery, by facsimile, by registered or certified mail, or by overnight express the "Acknowledgement of Receipt of Request For Proposals Form" that accompanies this document (See Appendix E) to have their organization placed on the procurement distribution list. The form **must** be signed by an authorized representative of the organization, dated, and returned by 2:00 PM Mountain Standard or Mountain Daylight Savings Time, as applicable on the date set forth in Section II.A (“Sequence of Events”). The procurement distribution list will be used for the distribution of written responses to questions and RFP amendments, if any.

Failure to return this form **shall** constitute a presumption of receipt and rejection of the RFP and the potential Offeror’s organization name **shall** not appear on the distribution list.

3. Submission of Written Questions

Potential Offeror may submit electronically additional written questions as to the intent or clarity of this RFP until 2:00 PM Mountain Standard or Mountain Daylight Savings Time, as applicable on the date set forth in Section II.A (“Sequence of Events”). All electronically written questions **must** be addressed to the Procurement Manager (see Section I, Paragraph E). An acknowledgement receipt from the Procurement Manager will be sent electronically to the Offeror.

#### 4. Response to Written Questions

Written responses to written questions and any RFP amendments will be distributed electronically on the date set forth in Section II.A (“Sequence of Events”) to all potential Offerors whose organization name appears on the procurement distribution list.

#### 5. Submission of Proposal

ALL OFFEROR PROPOSALS **MUST** BE RECEIVED FOR REVIEW AND EVALUATION BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN 2:00 PM Mountain Standard or Mountain Daylight Savings Time, as applicable **ON** the date set forth in Section II.A (“Sequence of Events”). Proposals received after this deadline will not be accepted. The date and time will be recorded on each proposal. Proposals **must** be addressed and delivered to the Procurement Manager at the address listed in Section I, Paragraph E. **Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to RFP AUDIT SERVICES. Proposals submitted by facsimile or email will not be accepted.**

A public log will be kept of the names of all Offeror organizations which submit proposals. Pursuant to NMSA 1978, Section 13-1-116, the contents of proposals **shall** not be disclosed to competing Offerors prior to contract award.

#### 6. Proposal Evaluation

An evaluation committee appointed by DFA management will perform the evaluation of proposals. This process will take place on or about the dates set forth in Section II.A (“Sequence of Events”). During this time, the Procurement Manager may at his or her option initiate discussions with Offeror who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals, but proposals may be accepted and evaluated

without such discussion. Discussions **SHALL NOT** be initiated by the Offeror.

#### 7. Selection of Finalists

The evaluation committee will select and the Procurement Manager will notify the finalist(s) Offeror on the date set forth in Section II.A (“Sequence of Events”). Only finalist(s) will be invited to participate in the subsequent steps of the procurement and oral presentation if required. The schedule for the oral presentations, if required, will be determined at this time.

#### 8. Oral Presentations

Finalist Offerors may be required to conduct an oral presentation at a location to be determined as per schedule Section II.A. (“Sequence of Events”). Whether or not oral presentations will be held is at the discretion of the Evaluation Committee.

#### 9. Notification/Recommendation to State Auditor

The recommendation of the Evaluation Committee of the Offeror selected will be submitted to the New Mexico State Auditor along with the contract by the Procurement Manager. The New Mexico State Auditor will then approve the selection or notify DFA of the reason for disapproval. The selected firm will be notified of a contract award upon written approval of all required New Mexico state agencies.

#### 10. Notify Recommended Offeror of Intended Award

The next business day after the New Mexico State Auditor approves the recommended Offeror, the Procurement Manager will notify the recommended Offeror of the intended award.

#### 11. Finalize Contract

Any contractual agreement resulting from this RFP, will be finalized with the most advantageous Offeror(s) as per schedule Section II.A. (“Sequence of Events”). In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the time specified, DFA reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

## 12. Contract Award

After review of the Evaluation Committee Report, the State Auditor's approval of recommended Offeror and the signed contractual agreement, the Procurement Manager will award the contract as per the schedule in Section II.A. ("Sequence of Events"). This date is subject to change at the discretion of the Procurement Manager.

Once the State Auditor has approved DFA's selection of the Offeror, the audit contract becomes effective upon approval of the State Auditor and CRB as indicated by the State Auditor's and CRB's dated signature. The contract **shall** be awarded to the Offeror whose proposal is most advantageous to the DFA, taking into consideration the evaluation factors set forth in this RFP. The most advantageous proposal may or may not have received the most points. The selected Offeror will be recommended to the State Auditor in conformance with the State Auditor's Rule.

The award/selection is subject to all required State approvals.

## 13. Protest Deadline

Any protest by an Offeror **must** be timely and in conformance with NMSA 1978, Section 13-1-172 and applicable procurement regulations. The fifteen (15) day protest period for responsive Offerors **shall** begin on the day following the contract award by the New Mexico State Auditor of which date responsive Offerors will be notified by letter and will end as of close of business fifteen (15) calendar days from the date of this notification. Protests **must** be written and **must** include the name and address of the protestor and the request for proposals number. It **must** also contain a statement of grounds for protest, including appropriate supporting exhibits, and it **must** specify the ruling requested from DFA. The protest **must** be delivered to DFA. Please direct hand and express carrier deliveries to the following address:

State Controller or Deputy Director  
Department of Finance and Administration  
Bataan Memorial Building, Room 166  
Santa Fe, NM 87501

**Protests received after the deadline will not be accepted.**

### C. General Requirements

This procurement will be conducted in accordance with the New Mexico Procurement Regulations (found at Section 1.4.1 et. seq. NMAC).

#### 1. Acceptance of Conditions Governing the Procurement

Offeror **must** indicate their acceptance of the Conditions Governing the Procurement section in the letter of transmittal. Submission of a proposal constitutes acceptance of the Evaluation Factors contained in Appendix C of this RFP as well as acceptance of all terms and conditions of this RFP unless otherwise noted.

#### 2. Incurring Cost

Any cost incurred by the Offeror in preparation, transmittal, and/or presentation of any proposal or material submitted in response to this RFP **shall** be borne solely by the Offeror.

#### 3. Prime Contractor Responsibility

Any contract that may result from this RFP **shall** place upon the prime contractor the sole responsibility to fulfill all requirements of the contract with DFA. DFA will make contract payments to only the prime contractor.

#### 4. Subcontractors

Use of subcontractors **must** be clearly explained in the proposal and major subcontractors **must** be identified by name. The prime contractor **shall** be solely and fully responsible for the entire performance whether or not subcontractors are used. Contractor **must** receive approval from DFA and the State Auditor and follow all of the State Auditor's requirements for subcontractors before any subcontractor is used during the term of this agreement.

#### 5. Amended Proposals

An Offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals **must** be complete replacements for a previously submitted proposal



and **must** be clearly identified as such in the transmittal letter. DFA will not merge, collate, or assemble proposal materials.

#### 6. Offerors' Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Offeror **must** submit a written withdrawal request signed by the Offeror's duly authorized representative addressed to the Procurement Manager. The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations.

#### 7. Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm for ninety (90) days after the due date for receipt of proposals.

#### 8. Disclosure of Proposal Contents

- A. Proposals will be kept confidential until negotiations and award are completed by DFA. At that time, all proposals and documents pertaining to the proposals will be kept open to the public, except for materials that are clearly marked proprietary or confidential. The Procurement Manager will not disclose or make public any pages of a proposal on which the potential Offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements:
- B. Proprietary or confidential data **shall** be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.
- C. Confidential data is normally restricted to:
  - a. Confidential financial information concerning the Offeror's organization; and,
  - b. Data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, NMSA 1978, Sections 57-3A-1 to 57-3A-7.
  - c. PLEASE NOTE: The costs proposed for the professional services set forth in this **RFP shall not be designated as proprietary or confidential**

**information.**

- d. If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, DFA **shall** examine the Offeror's request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal **shall** be open to public inspection subject to any continuing prohibition on the disclosure of confidential data.

9. No Obligation

This procurement in no manner obligates the State of New Mexico or any of its agencies to the eventual services offered until a valid written contract is approved by CRB.

10. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when DFA determines such action to be in the best interest of the State of New Mexico.

11. Sufficient Appropriation

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such termination will be effected by sending written notice to the contractor. The contractor will accept as final DFA's decision as to whether sufficient appropriations and authorizations are available.

12. Legal Review

DFA requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror concerns **must** be promptly brought to the attention of the Procurement Manager.

13. Governing Law

This procurement and any agreement with an Offeror that may result **shall** be governed by the

laws of the State of New Mexico.

#### 14. Basis for Proposal

Only information supplied by DFA in writing through the Procurement Manager or in this RFP **must** be used as the basis for the preparation of Offeror proposals.

#### 15. Contract Terms and Conditions

The contract between DFA and a contractor will follow the format specified by the State Auditor and contain the terms and conditions set forth in this RFP and in accordance with the current State Audit Rule, see Appendix A, "Sample Contract Terms and Conditions." However, DFA and the State Auditor reserve the right to change such terms and conditions as necessary and DFA further reserves the right to negotiate with a successful Offeror provisions in addition to those contained in this RFP. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of the contract.

#### 16. Offeror Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of any Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any Offeror who is not a responsible Offeror or fails to submit a responsive offer as defined in NMSA 1978, Sections 13-1-83 and 13-1-85.

#### 17. Right to Waive Minor Irregularities

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

#### 18. Change in Contractor Representatives

DFA reserves the rights to require a change in contractor representatives if the assigned

representatives are not, in the opinion of DFA, meeting its needs adequately.

#### 19. Notice

The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199 NMSA 1978, imposes civil and misdemeanor criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

#### 20. DFA Rights

DFA in agreement with the Evaluation Committee reserves the right to accept all or a portion of an Offeror's proposal.

#### 21. Right to Publish

Throughout the duration of this procurement process and contract term, potential Offerors, Offerors, and contractors **must** secure from DFA written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement or the subsequent contract. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or termination of the contract.

#### 22. Ownership of Proposals

All documents submitted in response to the RFP **shall** become the property of DFA unless otherwise specified by the Offeror. However, one complete copy of the selected Offeror's proposal **shall** be placed into the procurement file. Those documents will become the property of DFA and the State of New Mexico.

#### 23. Confidentiality

Any confidential information provided to, or developed by, the contractor in the performance of the contract resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the contractor without the prior written approval of DFA or the State Auditor, as provided in applicable State law and rule.

The Contractor(s) agrees to protect the confidentiality of all confidential information and not to

publish or disclose such information to any third party without the procuring DFA's written permission.

24. Term of Engagement

The contract **shall** be for one (1) year, with the option to renew the contract for two (2) additional subsequent fiscal years, subject to the annual review and recommendation of DFA, the approval of the State Auditor and the annual availability of an appropriation.

25. New Mexico Employees Health Coverage

A. For all contracts solicited and awarded on or after January 1, 2008: If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror **must** agree to:

(1) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2019 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$1,000,000 dollars; or

(2) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer health insurance to those employees no later than July 1, 2019 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$500,000 dollars; or

(3) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2019 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Offeror **must** agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the State.

C. Offeror **must** agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <http://insurenewmexico.state.nm.us/>.

D. Offeror **must** complete, sign, and return the New Mexico Employees Health Coverage Form, (Appendix F). as part of their proposal.

26. Campaign Contribution Disclosure Form

Offeror **must** complete, sign, and return the Campaign Contribution Disclosure Form, (Appendix D), as part of their proposal. This requirement applies regardless whether a covered contribution was made or not made for the identified officials. Failure to complete and return the signed unaltered form will result in disqualification.

27. Governmental Conduct Act; Conflict of Interest Affidavit

The Offeror warrants that is presently has no interest and **shall** not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the RFP. The Offeror **must** complete and return the Statement of Concurrence Form, (Appendix H), as part of their proposal.

If the Offeror is a public officer or state employee or former state employee, the Offeror must complete, sign, and return the Conflict of Interest Affidavit, (Appendix G), as part of their proposal. The Offeror certifies, in the Affidavit, that the requirements of the Governmental Conduct Act, NMSA 1978, Sections 10-16-1 through 10-16-18, regarding contracting with a public officer or state employee or former state employee have been followed.

28. Disclosure Regarding Responsibility

- A. Any prospective Bidder/Offeror (hereafter Offeror) and any of its Principals who seek to enter into a contract greater than twenty thousand dollars \$20,000.00 with any state agency or local public body for professional services, tangible personal property, services or construction agree to disclose whether they, or any principal of their company:

1. Are presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency, or local public body.
  2. Have within a three (3) year period preceding this offer, been convicted of or had civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local ) contract or subcontract; violation of Federal or state antitrust statutes related to the submission of offers; or commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property.
  3. Are presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with, commission of any of the offenses enumerated in paragraph B of this disclosure.
  4. Have preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if both of the following criteria apply:
    - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
    - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
    - c. Have within a three (3) year period preceding this offer, had one (1) or more contracts terminated for default by any state agency or local public body.
- B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a

business entity or related entities.

- C. The Offeror shall provide immediate written notice to the Procurement Manager or Buyer if, at any time prior to contract award, the Offeror learns that its disclosure was erroneous when submitting or became erroneous by reason of changed circumstances.
- D. A disclosure that any of the items in this requirement exist will not necessarily result in withholding an award under this solicitation. However, the disclosure will be considered in the determination of the Offeror's responsibility. Failure of the Offeror to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.
- E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of an Offeror is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.
- F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts. If during the performance of the contract, the contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the contractor must provide immediate written notice to the Procurement Manager or Buyer. If it is later determined that the Offeror knowingly rendered an erroneous disclosure, in addition to other remedies available to the government, the State Purchasing Agent or Central Purchasing Officer may suspend or debar the contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

29. New Mexico Resident Business or Resident Veterans Preferences

To ensure adequate consideration and application of NMSA 1978, Sections 13-1-21 and 13-1-22 (as amended), to receive a resident business or resident veteran business preference, an Offeror **must** submit with its proposal a copy of a valid resident business certificate or valid resident veteran business certificate issued by the New Mexico Taxation and Revenue Department. In addition to the veteran business certificate, the Offeror must complete and sign



the Resident Veterans Preference Certification (Appendix I) to be considered for Resident Veterans Preference points.

30. New Mexico State Auditor's Rule 2.2.2 NMAC

Firms submitting proposals **must** comply with the New Mexico State Auditor's Rule 2.2.2 NMAC as issued by the State Auditor for fiscal year 2019 audits. A copy of the rule may be obtained by contacting the State Auditor's Office.

31. Auditing Standards to be Followed

To meet the requirements of this RFP, the audit **shall** be performed in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the New Mexico State Auditor Rule, *Requirements for Contracting and Conducting Governmental Audits* (2.2.2 NMAC).

32. Independence

**DFA retains the right to accept or reject an Offeror's affirmative statement of independence. In the event DFA rejects an Offeror's affirmative statement of independence, the Offeror shall be disqualified.**

### **III. RESPONSE FORMAT AND ORGANIZATION**

A. Number of Responses

Each Offeror may submit only one proposal.

B. Number of Copies

Offeror **shall** provide the following:

Offeror **shall** deliver **SIX** (6) identical copies of their proposal, the cost proposal, and supporting technical documentation to the location specified in Section I, Paragraph E on or before the closing date and time for receipt of proposals.

### C. Proposal Format

All proposals **must** be typewritten on standard 8 1/2 x 11 paper and bound with tabs delineating each section.

#### 1. Proposal Organization

The proposal **must** be organized, and indexed in the following format and **must** contain, at a minimum, all listed items in the sequence indicated.

- a) Letter of Transmittal
- b) Table of Contents
- c) Proposal Summary (optional)
- d) Response to Mandatory Specifications
- e) Licenses, Certificates Copies
- f) Other Supporting Material
- g) Completed Cost Response Form
- h) Signed Campaign Contribution Form
- i) Signed Employee Health Coverage Form
- j) Signed Conflict of Interest Affidavit pursuant to Governmental Conduct Act (if applicable)
- k) Resident Vendor or Resident Veteran Certificate (if applicable)
- l) Signed Resident Veterans Preference Certification (if applicable)
- m) Signed Statement of Concurrence Form

Within each section of their proposal, Offerors **must** address the items in the order in which they appear in this RFP. All discussion of proposed costs, rates, or expenses **must** occur only in the Cost Response Form. All forms provided in the RFP **must** be thoroughly completed and included in the appropriate section of the proposal.

Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

The proposal summary may be included by Offerors to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the evaluation

process unless specifically referenced from other portions of the Offeror's proposal. Offerors may attach other materials that they feel may improve the quality of their responses. However, these materials **must** be included as items in a separate appendix.

## 2. Letter of Transmittal

Each proposal **must** be accompanied by a letter of transmittal. The letter of transmittal **MUST**:

- a) identify the submitting organization;
- b) identify the name and title of the person authorized by the organization to contractually obligate the organization;
- c) identify the name, title, email address, and telephone number of the person authorized to negotiate the contract on behalf of the organization;
- d) identify the names, titles, email addresses, and telephone numbers of persons to be contacted for clarification;
- e) **explicitly** indicate acceptance of the Conditions Governing the Procurement stated in Section II, Paragraph C.1; and,
- f) be signed by the person authorized to contractually obligate the organization;
- g) acknowledge receipt of any and all amendments to this RFP.

## IV. SPECIFICATIONS

Offerors **must** respond in the form of a narrative to each mandatory specification. The narratives, along with required supporting materials, will be evaluated and awarded points accordingly.

### A. Information

#### 1. DFA Resources

The following resources will be provided to contractor personnel for use on this contract:

- ❖ Office space
- ❖ Access to the accounting and financial reporting systems
- ❖ Access will be available to telephone, copiers and fax machines

#### 2. Work Performance

For the purpose of preparing proposals, Offerors are to assume that the majority of all on-site work will be performed at the following location:

New Mexico Department of Finance and Administration  
Bataan Memorial Building  
Santa Fe, New Mexico

#### 3. Level of Effort

The contractor will work on an as-needed basis, with no limitations on the number of trips to the on-site location.

### B. Mandatory Specifications

#### 1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications,

competency and capacity of the firms seeking to undertake an independent audit of the CAFR in conformity with the requirements of this RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal **must** demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It **must** also specify an audit approach that will meet the RFP requirements.

For an overview of the funds involved, please see prior year's CAFR report and you may also refer to DFA's website at [www.nmdfa.state.nm.us](http://www.nmdfa.state.nm.us).

The technical proposal **must** address all points outlined in the RFP (including any multi-year audit information, excluding any cost information which **must** only be included in the cost proposal). The proposal **must** be prepared simply and economically, providing a straightforward, concise description of the Offeror's capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following items, numbers 2 through 10, **must** be included. They represent the criteria against which the proposal will be evaluated. Please ensure the information provided addresses all the required information and factors listed in (APPENDIX C AUDIT CONTRACT PROPOSAL EVALUATION FORM).

## 2. Independence

The firm **must** provide an affirmative statement that it is independent of the State of New Mexico as defined by the U.S. General Accounting Office's Governmental Auditing Standards. The firm **must** also list and describe the firm's (including any proposed subcontractor's) professional relationships involving the State of New Mexico for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm **must** provide an affirmative statement that the firm **shall** give DFA written notice of any professional relationships entered into during the period of this agreement.

The Evaluation Committee retains the right to accept or reject an Offeror's

affirmative statement of independence. In the event the Evaluation Committee rejects an Offeror's affirmative statement of independence, the Offeror shall be disqualified.

3. License to Practice in New Mexico

An affirmative statement **must** be included indicating that the firm and all assigned key professional staff are properly licensed to practice public accounting in the State of New Mexico at the time the proposal is submitted. The Offeror will be asked for proof of licensure of all key professional staff if selected as a finalist for the contract award. No contract will be made if any key professional staff are not licensed in New Mexico at the time the Offeror's proposal is submitted or prior to contract award.

4. Firm Qualifications and Experience

The proposal **must** state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and background information of the professional staff to be employed in this engagement on a full-time basis and the number and background information of the staff to be employed on a part-time basis. The firm **must** specifically state its CAFR audit experience at the statewide level in reverse chronological order and provide contact information for each State whom Offeror has provided such audit services.

If the Offeror is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium **must** be separately identified and the firm that is to serve as the principal auditor **must** be noted, if applicable. The qualifications shall not include the Office of the State Auditor and the Office of the State Auditor will not serve as the principal auditor on this engagement.

The firm and any subcontractor **shall** also be required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm and any subcontractor **shall** also provide information on the results of any

federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm and any subcontractor **shall** provide information on the circumstances and status of any disciplinary action taken or pending against them during the past three (3) years with state regulatory bodies or professional organizations.

The firm and any subcontractor **shall** also state that it has complied with requirements for submitting and has submitted a firm profile to the New Mexico State Auditor, in accordance with the New Mexico State Auditor Rule 2 NMAC 2.2.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm **must** identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. **Offerors must submit resumes of all proposed professional staff members who will be performing services under the contract.** Experience narratives **shall** be attached that describe the specific relevant experience of the staff members in relation to the role that member will perform for this contract. The narrative(s) **must** include the name of the individual(s) proposed and **must** include a thorough description of the education, knowledge, and relevant experience as well as certifications or other professional credentials. The firm **must** also provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) calendar years and membership in professional organizations relevant to the performance of this audit.

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

Consultants and firm specialists mentioned in response to the request for proposals can only be changed with the express prior written permission of DFA, which retains the right to approve or reject replacements. Other audit personnel may be

changed at the discretion of the audit firm provided that replacements have substantially the same or better qualifications or experience.

6. Proposed Staff References

Three (3) external client references for the site manager **must** be provided. The minimum information that **must** be provided about each reference is:

- a) name of individual or company services were provided for;
- b) address of individual or company;
- c) name of contact person;
- d) telephone number and email address of contact person;
- e) type of services provided and dates services were provided.

Please note that required references **must** be submitted but may or may not be contacted at the sole discretion of the Evaluation Committee. The Procurement Manager and Evaluation Committee members reserve the right to contact other individuals or entities learned about through contacting the references and may use other information obtained through other sources deemed necessary for a thorough evaluation of each offer.

7. References

Proposals **must** include three (3) external client references from clients who received the same or similar services from Offeror, preferably for services rendered to other States. In addition, three (3) references **must** be submitted for each proposed subcontractor. The minimum information that **must** be provided about each reference is:

- a) name of individual or company services were provided for;
- b) address of individual or company;
- c) name of contact person;
- d) telephone number and email address of contact person;
- e) type of services provided and dates services were provided.

Please note that required references **must** be submitted but may or may not be



contacted at the sole discretion of the Evaluation Committee.

8. Specific Audit Approach and Project Plan

Offeror **must** submit a thorough project plan as part of the proposal. At a minimum, the project plan **must** include a milestone chart including tasks to be performed and the time frame and proposed staff member designated for the completion of each task. Further, please make sure the audit approach and project plan clearly addresses all the required information and factors listed in APPENDIX C (AUDIT CONTRACT PROPOSAL EVALUATION FORM). In developing the work plan, reference **must** be made to such sources of information as the budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Offeror will be required to provide detailed information on their audit approach:

- a) proposed segmentation of the engagement with DFA personnel preparing the working trial balances, financial statements, and supporting documents;
- b) level of staff and number of hours to be assigned to each proposed segment of the engagement;
- c) approach to be taken to audit the CAFR, from planning phase to report issuance;
- d) approach to be taken on implementing the group audit standard requirements;
- e) approach to be taken for reliance on reports of other auditors;
- f) approach to be taken to gain and document an understanding of the SHARE systems internal control structure and tests of controls;
- g) approach to be taken to gain and document an understanding of the CAFR's internal control structure and tests of controls;
- h) Approach to be taken to audit Hyperion – specifically FDM (Financial Data Management and HFM (Hyperion Financial Management)).
- i) sample sizes and the extent to which sampling is to be used in the engagement;
- j) extent of use of EDP software in the engagement and identify extent of agency data conversion;

- k) type and extent of analytical procedures to be used in the engagement;
- l) approach to be taken to audit the Investment in the State General Fund Investment Pool;
- m) approach to be taken to audit interfund and interagency receivables, payables and transfers;
- n) approach to be taken to audit revenues and expenditures(expenses);
- o) approach to be taken to audit budget comparison schedules;
- p) approach to be taken to audit subsequent events;
- q) approach to be taken in communicating with management regarding progress of audit and potential audit issues;
- r) approach of firms internal quality control review process and finalizing audit and reports for issuance.

9. Identification of Anticipated Potential Audit Problems

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

10. Cost

Offerors **must** propose one firm, fixed, fully-loaded rate per service category on the Cost Response Form (Appendix B). The firm, fixed, fully-loaded rate **must** include any and all costs for travel, per diem, fringe benefits, and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate. New Mexico gross receipts taxes are excluded from the proposed maximum hourly rates. They **shall** be shown separately on the invoice.

Note that an hourly rate as well as a full yearly cost are both required on the Cost Proposal Form but the **yearly cost** is used for the Evaluation formula (see APPENDIX C).

## V. EVALUATION

The award of the contract **shall** be made to the responsible Offeror whose proposal is most advantageous to DFA, which decision will take into consideration various evaluation factors as set forth in this RFP. The Audit Contract Proposal Evaluation Form in Appendix C will be used by the evaluation committee to score the proposals.

### A. Point Summary

Please see Appendix C (AUDIT CONTRACT PROPOSAL EVALUATION FORM) for details of the weighted point factors for evaluation of proposals.

#### 1). New Mexico Resident Business or Resident Veterans Preference

To be awarded the Resident Business Preference points, Offerors must include a copy of their resident business certificate issued by the New Mexico Taxation and Revenue Department with their proposal.

To be awarded the Resident Veterans Preference points, Offerors must include a copy of their resident veteran business certificate issued by the New Mexico Taxation and Revenue Department. In addition, the Resident Veterans Preference Certification in Appendix I must be completed, signed and submitted with the Offeror's proposal. Offers missing either the resident veteran contractor certificate or the Resident Veterans Preference Certification will not receive Resident Veterans Preference points.

### B. Evaluation Process

1). Offeror proposal will be reviewed for compliance with the mandatory requirements stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.

2). The Procurement Manager may contact the Offeror for clarification of the response as specified in Section II, Paragraph B.7.

3). The Evaluation Committee may use other sources of information to perform the evaluation as specified in Section II, Paragraph C.16.

4). Responsive proposals will be evaluated on the factors as listed in Section V, which have been assigned a point value. The responsible Offeror that is most advantageous to the state will be selected. The responsible Offeror whose proposal is most advantageous to DFA, taking into

consideration the evaluation factors in Appendix C, will be recommended for contract award to CRB as specified in Section II, Paragraph B.12. Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

APPENDIX A

SAMPLE CONTRACT TERMS AND CONDITIONS



- (b) Combining financial statements;
  - (c) Individual fund budget comparison statements for remaining funds that have an adopted budget, including proprietary funds, that did not appear as basic financial statement budget comparisons for the general fund, major special revenue funds or as RSI as described above; and
  - (d) Remaining supplemental information on schedules as required by NMAC Section 2.2.2.10.A(2)(f).
- B. The contractor shall apply certain limited procedures to the following required supplemental information (RSI), if applicable, and report deficiencies in or the omission of required information in accordance with the requirements of AU-C 730.05 to 730.09:
- (1) The Management Discussion and Analysis (MD&A);
  - (2) RSI data required by Statements 25, 27, 43, 45, 67 and 68 regarding pension plans and post-employment healthcare plans administered by defined benefit pension plans; and
  - (3) Schedules derived from asset management systems (GASB 34, paragraphs 132 to 133).
- C. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and *Requirements for Contracting and Conducting Governmental Audits* (NMAC Section 2.2.2.1, et seq.).

## 2. DELIVERY AND REPRODUCTION

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor no later than sixty days after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than                     , and in accordance with NMAC Section 2.2.2.9:
- (1) an organized, bound and paginated hard copy of the Agency's audit report for review;
  - (2) a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580; and
  - (3) a copy of the completed State Auditor Report Review Guide available at [www.osanm.org](http://www.osanm.org).

- B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond**  This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.
- C. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the engagement letter, management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency. The State Auditor shall also notify the Agency's oversight agency, but confidential information shall be omitted from that notification.
- E. Pursuant to NMAC Section 2.2.2.8, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- F. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days from the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor with **TWO** copies of the report, an electronic version of the audit report, in PDF format and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, and Fund Balances. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver \_\_\_\_\_ copies of the audit report to the Agency. The Agency or IPA shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- G. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed data collection form and the reporting package described in § 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. **COMPENSATION**



- A. The total amount payable by the Agency to the Contractor under this Contract, including New Mexico gross receipts tax and expenses, shall not exceed \_\_\_\_\_.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. In accordance with Section 12-6-14(A), NMSA 1978, and NMAC Section 2.2.2.8, Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	
(2) Federal single audit	
(3) Financial statement preparation	
(4) Other nonaudit services, such as depreciation schedule updates	
(5) Other (i.e., foundations or other component units, specifically identified)	

Gross Receipts Tax = \_\_\_\_\_

Total Compensation = \_\_\_\_\_

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
  - E. Pursuant to Section 12-6-14, NMSA 1978 and NMAC Section 2.2.2.8, the State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.
4. **TERM.** THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR AND THE NEW MEXICO DEPARTMENT OF FINANCE AND

ADMINISTRATION. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the date on which it is signed by the Department of Finance and Administration.

**5. TERMINATION, BREACH AND REMEDIES**

- A. This Contract may be terminated:
  - (1) By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
  - (2) By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
  - (3) By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
  - (4) By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.
  
- B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.
  
- C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.
  
- D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

**6. STATUS OF CONTRACTOR**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any

obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **ASSIGNMENT**

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. **SUBCONTRACTING**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

9. **RECORDS**

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. **RELEASE**

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. **CONFIDENTIALITY**

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract

or applicable standards, without the prior written approval of the Agency and the State Auditor.

**12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE**

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. The Contractor agrees that the FCD of DFA is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However DFA should not provide to any third party, other than the CAFR auditor, the draft audit report or its opinion letters or findings.

**13. CONFLICT OF INTEREST**

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

**14. INDEPENDENCE**

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

**15. AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

**16. MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an

engagement letter pursuant to NMAC Section 2.2.2.8, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

17. **APPLICABLE LAW**

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. **AGENCY BOOKS AND RECORDS**

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. **APPROPRIATIONS**

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. **PENALTIES FOR VIOLATION OF LAW**

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

21. **EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise

subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

**22. WORKING PAPERS**

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A9 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

**23. DESIGNATED ON-SITE STAFF**

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is \_\_\_\_\_ . The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

**24. INVALID TERM OR CONDITION**

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

**25. EMPLOYEE PAY EQUITY REPORTING**

- A. If it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification at any time during the term of this Contract, the Contractor shall complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If the Contractor has (250) or more employees the Contractor shall complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. For contracts that are extended beyond one (1) calendar year, the Contractor shall also complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. If the Contractor does not meet the size requirement for reporting a contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall provide the required report within ninety (90) days of meeting or exceeding the size requirement. That submittal date shall serve as the basis for

submittals required thereafter. The Contractor shall also impose this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. If one or more subcontractor does not meet the size requirement for reporting a contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall submit the required report for each such subcontractor, within ninety (90 days) of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. The Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. The Contractor acknowledges that this subcontractor requirement applies even though Contractor itself may not meet the size requirement for reporting and be required to report itself.

- B. If this Contract was procured pursuant to a solicitation, and if Contractor has already submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

26. **OTHER PROVISIONS**

**SIGNATURE PAGE**

This Contract is made effective as of the date of the signature of the Department of Finance and Administration.

**AGENCY**

**CONTRACTOR**

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

This Contract has been approved by:

**DEPT. OF FINANCE & ADMINISTRATION**

**CONTRACTS REVIEW BUREAU**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID No. \_\_\_\_\_

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

Date: \_\_\_\_\_

STATE AUDITOR CONTRACT NO. 16 - \_\_\_\_\_



APPENDIX B  
COST RESPONSE FORM

COST RESPONSE FORM

	<u>1<sup>st</sup> Year</u>	<u>1<sup>st</sup> Year</u>	<u>2<sup>nd</sup> Year</u>	<u>2<sup>nd</sup> Year</u>
	Hourly Rate	Total Cost	Hourly Rate	Total Cost
	FY 2019	FY 2019	FY 2020	FY 2020
	Audit	Audit	Audit	Audit
Financial Statement Audit				
Other				
SUB TOTAL				
Gross Receipts Tax				
TOTAL COMPENSATION				

	<u>3<sup>rd</sup> Year</u>	<u>3<sup>rd</sup> Year</u>
	Hourly Rate	Total Cost
	FY 2021	FY 2021
	Audit	Audit
Financial Statement Audit		
Other		
SUB TOTAL		
Gross Receipts Tax		
TOTAL COMPENSATION		

APPENDIX C

AUDIT CONTRACT PROPOSAL EVALUATION POINTS FORM

AUDIT CONTRACT PROPOSAL EVALUATION POINTS FORM

Section I – Capability of Offeror

A) The Offeror has the resources to perform the type and size of audit required (0-200)

# of firm team members \_\_\_\_\_  
Total audit hours available \_\_\_\_\_

B) Peer Review Report (0-50)

- 1) Peer Review results: obtain most recent copy of the peer review report, including letter of deficiencies.
- 2) Peer Review Rating received \_\_\_\_\_  
Pass with no deficiencies = 5 Pass with deficiencies = 3 Fail = 0

If peer review rating is FAIL, STOP HERE. FIRM DOES NOT QUALIFY.

3) Results of firm, partner and site manager and corporate reference checks (0-50)

Section I Total Points \_\_\_\_\_

Section II – Work Requirements and Audit Approach

A) Offeror’s knowledge of DFA’s needs, product to be delivered and responses to mandatory specifications. (0-200)

B) Proposal contains a sound technical plan and realistic estimate of time to complete the audit.

Interim: Start Date \_\_\_\_\_ End Date \_\_\_\_\_ (0-25)  
Final: Start Date \_\_\_\_\_ End Date \_\_\_\_\_ (0-25)

C) If the proposal is for a multi-year contract, approach to planning and conducting the work efforts of subsequent years. (0-50)

Section II Total Points \_\_\_\_\_

Section III – Technical Experience

A) Governmental audit experience of Offeror  
Name of partner \_\_\_\_\_ and  
On-site manager \_\_\_\_\_ (0-150)

B) Audit team experience: specialization in your type of audit (e.g., CAFR) (0-150)

C) Attendance at continuing professional education seminars or meetings on auditing, accounting and regulations directly related to government (0-50)

Section III Total Points \_\_\_\_\_

**Section IV – Oral Presentation (if required)**

**(0-50)**

---

**Section IV Total Points** \_\_\_\_\_

**Total Points All Sections (possible 1000 points)** \_\_\_\_\_

**Section V – Evaluation of Audit Cost Proposal**

(Please Note: If Offeror has submitted a multi-year proposal, add the total of each year together to arrive at one total for the combined three year period (example: Three (3) year proposal, each year’s fee is \$5,000, the combined total is \$15,000 which would be used in the calculation below)

**COMPLETE THE CALCULATION**

Insert the lowest cost proposal (from all proposals received): \$ \_\_\_\_\_

Divide it by the cost of the proposal currently being evaluated: \$ \_\_\_\_\_

= Times (x) by 100 x 100

= Total Points Awarded (out of possible 100) \_\_\_\_\_

Campaign Contribution Disclosure Form (no points assigned)	Pass/Fail
Employee Health Coverage Form (no points assigned)	Pass/Fail
Conflict of Interest Form (no points assigned)	Pass/Fail
Pay Equity Reporting (no points assigned)	Pass/Fail

**OFFEROR’S FINAL SCORE**

**Bring forward score from Sections I-IV (possible 1000 points)**

\_\_\_\_\_

**Add Cost score from Section V (possible 100 points)**

\_\_\_\_\_

New Mexico Resident Business or Resident Veteran Business Preference Points per Section V.A.1. and NMSA 1978, Section 13-4-2 (2012), if applicable \_\_\_\_\_

**OFFEROR’S TOTAL SCORE =** \_\_\_\_\_

APPENDIX D  
CAMPAIGN CONTRIBUTION DISCLOSURE FORM

## CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-28, et seq., NMSA 1978 and NMSA 1978, § 13-1-191.1 (2006), as amended by Laws of 2007, Chapter 234, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars (\$250) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to Section [13-1-181](#) NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section [13-1-182](#) NMSA 1978 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

**THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.**

The following definitions apply:

**“Applicable public official”** means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed

proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

**“Campaign Contribution”** means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

**“Family member”** means a spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

**“Pendency of the procurement process”** means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

**“Prospective contractor”** means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [Sections [13-1-28](#) through [13-1-199](#) NMSA 1978] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

**“Representative of a prospective contractor”** means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

**Name(s) of Applicable Public Official(s) if any:** \_\_\_\_\_  
**(Completed by State Agency or Local Public Body)**

**DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:**

Contribution Made By: \_\_\_\_\_

Relation to Prospective Contractor: \_\_\_\_\_

Date Contribution(s) Made: \_\_\_\_\_  
\_\_\_\_\_

Amount(s) of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_



Nature of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_

Purpose of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_

(Attach extra pages if necessary)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title (position)

**--OR--**

**NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE** to an applicable public official by me, a family member or representative.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title (Position)

APPENDIX E  
ACKNOWLEDGEMENT OF RECEIPT OF REQUEST FOR PROPOSALS  
FORM

REQUESTS FOR PROPOSALS  
PROFESSIONAL AUDIT SERVICES  
ACKNOWLEDGEMENT OF RECEIPT FORM

In acknowledgement of receipt of this Request for Proposal the undersigned agrees that he/she has received a complete copy, beginning with the title page and table of contents and ending with Appendix I.

The acknowledgement of receipt **must** be signed and returned to the Procurement Manager no later than 2:00 pm Mountain Standard Time or Daylight Savings Time on April 12, 2019, as applicable. Only potential Offerors who elect to return this form completed with the indicated intention of submitting a proposal will receive copies of all Offeror written questions and DFA's written responses to those questions as well as RFP amendments, if any are issued.

FIRM: \_\_\_\_\_

REPRESENTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ PHONE NO.: \_\_\_\_\_

FAX NO.: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

This name and address will be used for all correspondence related to the Request for Proposal.

Firm does/does not (circle one) intend to respond to this Request for Proposals.

Rena Herndon  
Department of Finance and Administration  
407 Galisteo Street  
Bataan Memorial Building, Room 168  
Santa Fe, NM 87501  
(505) 476-8527 (voice)  
(505) 827-3692 (fax)

APPENDIX F

NEW MEXICO EMPLOYEE HEALTH COVERAGE FORM

## New Mexico Employees Health Coverage Form

1. For all contracts solicited and awarded on or after January 1, 2008: If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.
  
2. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.
  
3. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <http://insurenemexico.state.nm.us/>.
  
4. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000.

Signature of Offeror: \_\_\_\_\_

Date \_\_\_\_\_

APPENDIX G  
CONFLICT OF INTEREST AFFIDAVIT

CONFLICT OF INTEREST AFFIDAVIT

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_ (name), being first duly sworn upon my oath, depose and state the following:

- 1. I am a former employee of the \_\_\_\_\_ (name of Department/Agency), having separated/retired from state employment as of \_\_\_\_\_ (date).

-OR-

- 2. I am a current employee of the \_\_\_\_\_ (name of Department/Agency), or a legislator with the state, or the family member (spouse, parent, child, sibling by consanguinity or affinity) of a current employee or legislator with the state. Being a current employee or legislator or family member of a current employee or legislator of the state, I hereby certify that I obtained this Agreement pursuant to Sections 10-16-7 or 10-16-9 NMSA 1978, that is, in accordance with the Procurement Code except that this Agreement has NOT been awarded via the sole source or small purchase procurement methods.
- 3. The Department/Agency and I have entered into an agreement in the amount of \$\_\_\_\_\_.
- 4. Section 10-16-8.A(1) NMSA 1978 of the Governmental Conduct Act does not apply to this Agreement because I neither sought a contract with the Department/Agency, nor engaged in any official act which directly resulted in the formation of the Professional Services Agreement while an employee of the Department/Agency.
- 5. To the best of my knowledge, this Agreement was awarded in compliance with all relevant provisions of the New Mexico Procurement Code (13-1-28, et. seq., NMSA 1978).

FURTHER, AFFIANT SAYETH NOT.

\_\_\_\_\_  
Name

Subscribed and sworn to before me by \_\_\_\_\_ (name of former employee) this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

APPENDIX H

STATEMENT OF CONCURRENCE FORM



## STATEMENT OF CONCURRENCE FORM

The Offeror **must** check mark and initial each requirement listed below. Failure to complete this form in its entirety will result in the automatic disqualification of the Offeror’s proposal. The alteration of this form will also result in the automatic disqualification of the Offeror’s proposal.

	Agree	Disagree	Initials
<b>Pay Equity Reporting</b> My business/organization Agrees/Disagrees with the requirements of reporting as defined in Section II, Paragraph C (28). I understand reports will be due when a contract is awarded. <i>Caution: An Offeror who disagrees with this requirement will be disqualified.</i>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	Yes	No	Initials
<b>Governmental Conduct Act; Conflict of Interest Affidavit</b> Does your business/organization have interest or will acquire interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the RFP? <i>If yes, the Offeror must disclose the interest in the space provided below.</i>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Is the Offeror a public officer or state employee or former state employee? If Yes, the Offeror certifies, through the Affidavit, that the requirements of the Governmental Conduct Act NMSA 1978, Sections 10-16-1 through 10-16-18, regarding contracting with a public officer or state employee or former state employee have been followed. If Yes, the Offeror must complete, sign and attach the Conflict of Interest Form (Appendix G) to the proposal. An Offeror who fails to attach the Conflict of Interest Form (Appendix G) will be disqualified.	<input type="checkbox"/>	<input type="checkbox"/>	_____

APPENDIX I

RESIDENT VETERANS PREFERENCE CERTIFICATION

## Appendix I - Resident Veterans Preference Certification

\_\_\_\_\_ (NAME OF CONTRACTOR) hereby certifies the following in regard to application of the resident veterans' preference to this procurement:

### **Please check one box only**

- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$1M allowing me the 10% preference discount on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$1M but less than \$5M allowing me the 8% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$5M allowing me the 7% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

"I agree to submit a report, or reports, to the State Purchasing Division of the General Services Department declaring under penalty of perjury that during the last calendar year starting January 1 and ending on December 31, the following to be true and accurate:

"In conjunction with this procurement and the requirements of this business' application for a Resident Veteran Business Preference/Resident Veteran Contractor Preference under Sections 13-1-21 or 13-1-22 NMSA 1978, when awarded a contract which was on the basis of having such veterans preference, I agree to report to the State Purchasing Division of the General Services Department the awarded amount involved. I will indicate in the report the award amount as a purchase from a public body or as a public works contract from a public body as the case may be.

"I understand that knowingly giving false or misleading information on this report constitutes a crime."

I declare under penalty of perjury that this statement is true to the best of my knowledge. I understand that giving false or misleading statements about material fact regarding this matter constitutes a crime.

---

(Signature of Business Representative)\*

---

(Date)

\*Must be an authorized signatory for the Business.

The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or unaward of the procurement involved if the statements are proven to be incorrect.