

STATE OF NEW MEXICO
Children, Youth and Families Department

REQUEST FOR PROPOSALS (RFP)

Financial and Compliance Audit Services



RFP# 20-690-00-19896

Issued: February 28, 2020

Due: March 31, 2020

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I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The purpose of the Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations for the procurement of. The Children, Youth and Families Department's (Agency) is requesting proposals from Independent Public Accountants (IPA) to perform the annual financial and compliance audits of the Agency and its Juvenile Public Safety Advisory Board's (Board) for the fiscal year ending June 30, 2020, June 30, 2021, and June 30, 2022.

The selected firm will perform the audits in accordance with the Generally Accepted Auditing Standards (GAAS), the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) of Government Auditing Standards, the provisions of the Federal Single Audit Act, Amendments of the 1996; 2CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Applicable Federal OMB Circulars, Audits of State and Local Governments. Audits must comply with the New Mexico State Auditor Rule 2 NMAC 2.2, Regulations Governing the Audits of Agencies of the State of New Mexico, and the terms and conditions of the State Auditor.

The Offeror shall provide the services as listed in Section IV. A Scope of Work.

B. BACKGROUND INFORMATION

The Children, Youth, and Families Department is a cabinet level agency that was created by the legislature of New Mexico in 1996. Its purpose as stated by §9-2A-1 through 9-2A-24 is to:

- 1) Administer all laws and exercise all functions formerly administered and exercised by the youth authority, as well as administering certain functions related to children, youth and families that were formerly administered by other departments or agencies of the state;
- 2) assist in the development of state policies and plans for services to children, youth and families, including policies and plans that endeavor to strengthen client self-sufficiency and that emphasize prevention without jeopardizing the necessary provision of essential treatment and early intervention services;
- 3) advocate for services for children, youth and families as an enduring priority in New Mexico; and
- 4) provide leadership to other agencies that serve children, youth and families to ensure a coordinated and integrated system of care and services for children, youth and families.

The Agency's Mission is ***“Improving the quality of life for our children.”*** and believes that children and families should receive:

- services that promote and build individual strengths;
- early identification and intervention services to address problems as they emerge;

- access to a comprehensive array of services that are individualized, community-based and, whenever possible, in-home, to meet the unique needs and potential of each child and family;
- full participation and choice in all aspects in the planning and delivery of services;
- services that are provided in the least restrictive setting and most normative environment and are integrated and linked, both within AGENCY and with other child-serving agencies and which use peers, family and natural resource;
- culturally competent services delivered without regard to race, ethnicity, religion, national origin, gender, sexual orientation, or disability;
- the most effective services that are based on evidence or promising or emerging practices, to achieve positive outcomes; and
- services that ensure smooth transactions to adult service systems.

The Juvenile Public Safety Advisory Board was created by the Juvenile Parole Board Act, Chapter 32(32A), Article 7, NMSA 1978, Section 32A-7.1 through 32A-7.9. The Board is a special purpose entity, created to investigate applicants for parole, and to grant, deny or revoke parole. The three members of the Board are appointed by the Governor of New Mexico and serve six-year terms. These members have authority to make decisions, designate management, and significantly influence operation. They are accountable for fiscal matters. The Board is a component unit of the State of New Mexico, administratively attached to the Children, Youth and Families Department (AGENCY). Effective July 1, 2010, the Agency assumed all fiscal and administrative responsibilities of the Board.

The Agency receives its support from the State’s General Fund, various federal grants and other revenues which are categorized within Major Funds, Special Revenue Fund, Nonmajor Funds, and Fiduciary Fund Types. The Agency’s FY2020 Operating Budget was funded as follows:

Type	Dollars in Thousands
General Fund Transfers	312,961.1
Other Transfers	58,850.4
Federal Revenues	202,872.2
Other Revenues	4,851.9
Fund Balance	2,530.7
Total	582,066.3

C. SCOPE OF PROCUREMENT

The scope of procurement encompasses an Offeror that will act as an Independent Financial Auditor. The initial contract shall begin on the date of award, as indicated in Section II. Paragraph A. “Sequence of Events”, or as soon as possible thereafter, for a term of one (1) year with 2 optional one (1) year extensions not to exceed three (3) years. The contract may be amended by mutual agreement of the parties upon written notice by either party to the other. The proposed price for services must remain fixed.

There is potential for the Office of the State Auditor to work in conjunction with the IPA in the performance of the scope of work herein. If so, it is expected that the OSA will obtain the

corresponding portion of the contract fee. This may include, but is not limited to, the review of Agency funds and compliance test work.

The Department of Finance and Administration, Financial Control Division (FCD), Director or designee must review and approve audit contracts and any amendments thereto before the audit contract or amendment is signed by the state agency and IPA and submitted to the Office of the State Auditor for approval. This procurement will result in a single source award.

Only those IPAs appearing on the New Mexico State Auditor's 2020 Approved Firm List may submit a proposal response to this RFP.

D. PROCUREMENT MANAGER

1. Children, Youth and Families Department has assigned a Procurement Manager who is responsible for the conduct of this procurement whose name, address, telephone number and e-mail address are listed below:

Name: Michelle Taylor, Procurement Manager
Address: 1120 Paseo de Peralta
P.E.R.A. Building Room 101
Santa Fe, NM 87501
Telephone: (505) 827-4039
Fax: (505) 827-4331
Email: michelle.randall@state.nm.us

2. All deliveries of responses via express carrier must be addressed as follows:

Name: Michelle Taylor, Procurement Manager
Reference RFP Name: Agency Audit RFP #20-690-00-19896
Address: 1120 Paseo de Peralta
P.E.R.A. Building Room 101
Santa Fe, NM 87501

3. **Any inquiries or requests** regarding this procurement should be submitted, in writing, to the Procurement Manager. Offerors may contact **ONLY** the Procurement Manager regarding this procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of the Agency. **Protests of the solicitation or award must be delivered by mail to the Protest Manager.** As A Protest Manager has been named in this Request for Proposals, pursuant to NMSA 1978, § 13-1-172, **ONLY** protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals. Emailed protests will not be considered as properly submitted nor will protests delivered to the Procurement Manager be considered properly submitted.

E. DEFINITION OF TERMINOLOGY

This section contains definitions of terms used throughout this procurement document, including appropriate abbreviations:

“**Agency**” means the Children, Youth and Families Department.

“**Award**” means the final execution of the contract document.

“**Board**” means the Juvenile Public Safety Advisory Board.

“**Business Hours**” means 8:00 AM thru 5:00 PM Mountain Standard or Mountain Daylight Time, whichever is in effect on the date given.

“**Close of Business**” means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.

“**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 any agreement for the procurement of items of tangible personal property, services or construction.

“**Contractor**” means any business having a contract with a state agency or local public body.

“**Determination**” means the written documentation of a decision of a procurement officer 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.

“**DFA/FCD**” means the Department of Finance and Administration, Financial Control Division for the State of New Mexico.

“**Electronic Version/Copy**” means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The digital form may be submitted using a USB flash drive. The electronic version/copy can NOT be emailed.

“**Evaluation Committee**” means a body appointed to perform the evaluation of Offerors’ proposals.

“**Evaluation Committee Report**” means a report prepared by the Procurement Manager and the Evaluation Committee for contract award. It will contain written determinations resulting from the procurement.

“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.

“Hourly Rate” means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.

“IPA” means Independent Public Accountant.

“IT” means Information Technology.

“Job Classification” means an arrangement of tasks in an establishment or industry into a limited series of jobs or occupations, rated in terms of skill, responsibility, experience, training, and similar considerations, usually for wage setting purposes. This term, or job class, refers to a single cluster of jobs of approximately equal “worth.”

“Job Title” means a specific designation of a position within an organization, normally associated with a job description that details the tasks and responsibilities that go with it.

“Mandatory” – the terms "must", "shall", "will", "is required", or "are required", identify a mandatory item or factor. 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 other mandatory requirement.

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

“Procurement Distribution List” means the list of Offeror’s whom, by returning the most currently required “Acknowledgement of Receipt” form (concerning the latest communication regarding procurement); wish to continue to be notified of any subsequent changes regarding that procurement. This list is maintained by the Procurement Manager.

“Procurement Manager” means any person or designee authorized by a state agency or local public body to enter into or administer contracts and make written determinations with respect thereto.

“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 (RFP)” means all documents, including those attached or incorporated by reference, used for soliciting proposals.

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

“Responsive Offer” or means an offer which conforms in all material respects to the requirements set forth in the request for proposals. 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.

“SPD” means State Purchasing Division of the New Mexico State General Services Department.

“SPD/CRB” means The Contract Review Bureau of the State Purchasing Division, New Mexico State General Services Department.

“Staff” means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.

“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.

“State Purchasing Agent” means the director of the purchasing division of the general services department.

“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.

F. PROCUREMENT LIBRARY

A procurement library has been established. Offerors are encouraged to review the material contained in the Procurement Library by selecting the link provided in the electronic version of this document through your own internet connection or by contacting the Procurement Manager and scheduling an appointment. The library contains information listed below:

New Mexico Children, Youth and Families Department includes links to the Request for Proposals and is available at <http://www.Agency.org/content/requests-proposals-rfp-0>

Office of the State Auditor includes link to the Financial Audit requirements and is available at http://www.osanm.org/financial_audits

II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule, description and conditions governing the procurement.

A. SEQUENCE OF EVENTS

The Procurement Manager will make every effort to adhere to the following schedule:

Action	Responsible Party	Due Dates
1. Issue RFP	Agency	February 28, 2020
2. Distribution List	Agency	March 13, 2020
3. Pre-Proposal Conference	Agency	March 13, 2020
4. Deadline to submit Questions	Potential Offerors	March 18, 2020
5. Response to Written Questions	Procurement Manager	March 23, 2020
6. Submission of Proposal	Potential Offerors	March 31, 2020
7. Proposal Evaluation	Evaluation Committee	April 1, 2020 through April 10, 2020
8. Selection of Finalists	Evaluation Committee	April 14, 2020
9. Best and Final Offers	Finalist Offerors	April 17, 2020
10. Finalize Contractual Agreements	Agency/Finalist Offerors	May 1, 2020
11. Contract Awards	Agency/ Finalist Offerors	June 1, 2020
12. Protest Deadline	Offeror	+15 days

B. EXPLANATION OF EVENTS

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

1. Issuance of RFP

This RFP is being issued on behalf of the New Mexico State Children, Youth and Families Department on February 28, 2020.

2. Acknowledgement of Receipt

Potential Offerors should hand deliver, return by facsimile or registered or certified mail the "Acknowledgement of Receipt of Request for Proposals Form" that accompanies this document, APPENDIX A, to have their organization placed on the procurement distribution list. The form should be signed by an authorized representative of the organization, dated and returned to the Procurement Manager by 3:00 pm MST or MDT on March 13, 2020

The procurement distribution list will be used for the distribution of written responses to questions. Failure to return the Acknowledgement of Receipt 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. Pre-Proposal Conference

A pre-proposal conference will be held as indicated in the sequence of events beginning at **9:30 a.m. Mountain Standard Time/Daylight Time in the PERA Building, Fifth Floor, Room 565, 1120 Paseo de Peralta, Santa Fe, NM 87501**. Potential Offeror(s) are encouraged to submit written questions in advance of the conference to the Procurement Manager (see Section I, Paragraph D). The identity of the organization submitting the question(s) will not be revealed. Additional written questions may be submitted at the conference. All written questions will be addressed in writing on the date listed in the Sequence of Events. A public log will be kept of the names of potential Offeror(s) that attended the pre-proposal conference.

Attendance at the pre-proposal conference is highly recommended, but not a prerequisite for submission of a proposal.

4. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Procurement Manager as to the intent or clarity of this RFP until 3:00 PM Mountain Standard Time/Daylight Time as indicated in the sequence of events. All written questions must be addressed to the Procurement Manager as declared in Section I, Paragraph D. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which form the basis of the question.

5. Response to Written Questions

Written responses to written questions will be distributed as indicated in the sequence of events to all potential Offerors whose organization name appears on the procurement distribution list. An e-mail copy will be sent to all Offeror's that provide Acknowledgement of Receipt Forms described in II.B.2 before the deadline. Additional copies will be posted to: <http://www.Agency.org/content/requests-proposals-rfp-0>

6. Submission of Proposal

ALL OFFEROR PROPOSALS MUST BE RECEIVED FOR REVIEW AND EVALUATION BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN **3:00 PM MOUNTAIN STANDARD TIME/DAYLIGHT TIME ON March 31, 2020**. Proposals received after this deadline will not be accepted. The date and time of receipt will be recorded on each proposal.

Proposals must be addressed and delivered to the Procurement Manager at the address listed in Section I, Paragraph D2. Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to the **Audit Services RFP #20-690-00-19896**. Proposals submitted by facsimile, or other electronic means will not be accepted.

A public log will be kept of the names of all Offeror organizations that submitted proposals. Pursuant to NMSA 1978, § 13-1-116, the contents of proposals shall not be disclosed to competing potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded pursuant to this Request for Proposals. Awarded in this context means the final required state agency signature on the contract(s) resulting from the procurement has been obtained.

7. Proposal Evaluation

An Evaluation Committee will perform the evaluation of proposals. This process will take place as indicated in the sequence of events, depending upon the number of proposals received. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals. However, proposals may be accepted and evaluated without such discussion. Discussions **SHALL NOT** be initiated by the Offerors.

8. Selection of Finalists

The Evaluation Committee will select and the Procurement Manager will notify the finalist Offerors as per schedule Section II. A., Sequence of Events or as soon as possible. A schedule for the oral presentation and demonstration will be determined at this time.

9. Best and Final Offers

Finalist Offerors may be asked to submit revisions to their proposals for the purpose of obtaining best and final offers by as per schedule Section II. A., Sequence of Events or as soon as possible. Best and final offers may also be clarified and amended at finalist Offeror's oral presentation and demonstration.

10. Finalize Contractual Agreements

Any Contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s) as per schedule Section II. A., Sequence of Events or as soon thereafter as possible. This date is subject to change at the discretion of the State Purchasing Division or relevant Agency Procurement office. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the time specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

11. Contract Awards

After review of the Evaluation Committee Report and the signed contractual agreement, the Agency Procurement office will award as per the schedule in Section II. A., Sequence of Events or as soon as possible thereafter. This date is subject to change at the discretion of the State Purchasing Division or relevant Agency Procurement office.

The contract shall be awarded to the Offeror (or Offerors) whose proposals are most advantageous to the State of New Mexico and the Children, Youth and Families Department, 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 award is subject to appropriate Department and State approval.

12. Protest Deadline

Any protest by an Offeror must be timely and in conformance with NMSA 1978, § 13-1-172 and applicable procurement regulations. As a Protest Manager has been named in this Request for Proposals, pursuant to NMSA 1978, § 13-1-172, ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals. The 15 calendar day protest period shall begin on the day following the award of contract and will end at 5:00 pm Mountain Standard Time/Daylight Time on the 15th day. Protests must be written and must include the name and address of the protestor and the request for proposal number. It must also contain a statement of the grounds for protest including appropriate supporting exhibits and it must specify the ruling requested from the party listed below. The protest must be delivered to:

Lucy Vigil Rendon, Chief Procurement Officer
Children, Youth and Families Department
1120 Paseo de Peralta
P.E.R.A. Building Room 101
Santa Fe, NM 87501

Protests received after the deadline will not be accepted.

C. GENERAL REQUIREMENTS

1. Acceptance of Conditions Governing the Procurement

Potential Offerors 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 Section V of this RFP.

2. Incurring Cost

Any cost incurred by the potential 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. Any cost incurred by the Offeror for set up and demonstration of the proposed equipment and/or system shall be borne solely by the Offeror.

3. Prime Contractor Responsibility

Any contractual agreement that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of all requirements of the contractual agreement with a state agency which may derive from this RFP. The state agency entering into a contractual agreement with a vendor will make payments to only the prime contractor.

4. Subcontractors/Consent

The use of subcontractors is allowed. The prime contractor shall be wholly responsible for the entire performance of the contractual agreement whether or not subcontractors are used. Additionally, the prime contractor must receive approval, in writing, from the agency

awarding any resultant contract, 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. The Agency personnel will not merge, collate, or assemble proposal materials.

6. Offeror's 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 addressed to the Procurement Manager and signed by the Offeror's duly authorized representative.

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 for services, will be considered firm for one hundred twenty (120) days after the due date for receipt of proposals or ninety (90) days after the due date for the receipt of a best and final offer, if the Offeror is invited or required to submit one.

8. Disclosure of Proposal Contents

- A. Proposals will be kept confidential until negotiations and the award are completed by the Agency. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for material that is 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 restricted to:
 1. confidential financial information concerning the Offeror's organization;
 2. and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, NMSA 1978 § 57-3A-1 to 57-3A-7.
 3. PLEASE NOTE: The price of products offered or the cost of services proposed **shall not be designated** as proprietary or confidential information.

If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, the State Purchasing Division or the Agency 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 RFP in no manner obligates the State of New Mexico or any of its Agencies to the use of any Offeror's services until a valid written contract is awarded and approved by appropriate authorities.

10. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the agency 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 terminations will be effected by sending written notice to the contractor. The Agency's decision as to whether sufficient appropriations and authorizations are available will be accepted by the contractor as final.

12. Legal Review

The Agency requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly submitted in writing to the attention of the Procurement Manager.

13. Governing Law

This RFP and any agreement with an Offeror which may result from this procurement shall be governed by the laws of the State of New Mexico.

14. Basis for Proposal

Only information supplied, in writing, by the Agency through the Procurement Manager or in this RFP should be used as the basis for the preparation of Offeror proposals.

15. Contract Terms and Conditions

The contract between an agency and a contractor will follow the format specified by the Agency and contain the terms and conditions set forth in the Sample Contract Appendix C, **which is subject to change if the FY2020 Audit Rule requires a change to the Sample Contract**. However, the contracting agency reserves the right to negotiate provisions in addition to those contained in this RFP (Sample Contract) with any Offeror. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of any resultant contract.

The Agency discourages exceptions from the contract terms and conditions as set forth in the RFP Sample Contract. Such exceptions may cause a proposal to be rejected as nonresponsive when, in the sole judgment of the Agency (and its evaluation team), the proposal appears to be conditioned on the exception, or correction of what is deemed to be a deficiency, or an unacceptable exception is proposed which would require a substantial proposal rewrite to correct.

Should an Offeror object to any of the terms and conditions as set forth in the RFP Sample Contract (APPENDIX C) strongly enough to propose alternate terms and conditions in spite of the above, the Offeror must propose **specific** alternative language. The Agency may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions of the Sample Contract are not acceptable to the Agency and will result in disqualification of the Offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

16. Offeror's Terms and Conditions

Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the Agency. Please see Section II.C.15 for requirements.

17. Contract Deviations

Any additional terms and conditions, which may be the subject of negotiation (such terms and conditions having been proposed during the procurement process, that is, the RFP process prior to selection as successful Offeror), will be discussed only between the Agency and the Offeror selected and shall not be deemed an opportunity to amend the Offeror's proposal.

18. Offeror Qualifications

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

19. 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.

20. Change in Contractor Representatives

The Agency reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the Agency, adequately meeting the needs of the Agency.

21. Notice of Penalties

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

22. Agency Rights

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

23. Right to Publish

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

24. Ownership of Proposals

All documents submitted in response to the RFP shall become property of the State of New Mexico.

25. 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 the Agency.

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 Agency's written permission.

26. Electronic mail address required

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence. (See also Section II.B.5, Response to Written Questions).

27. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. In the event of conflict between a version of the RFP in the Offeror's possession and the version maintained by the agency, the

Offeror acknowledges that the version maintained by the agency shall govern. Please refer to: <https://Agency.org/for-providers/rfp>

28. New Mexico Employees Health Coverage

- A. 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 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 <https://www.bewellnm.com>.
- D. 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.

29. Campaign Contribution Disclosure Form

Offeror must complete, sign, and return the Campaign Contribution Disclosure Form, APPENDIX B, as a part of their proposal. This requirement applies regardless whether a covered contribution was made or not made for the positions of Governor and Lieutenant Governor or other identified official. Failure to complete and return the signed unaltered form will result in disqualification.

30. Letter of Transmittal

Offeror's proposal must be accompanied by the Letter of Transmittal Form located in APPENDIX E which must be completed and signed by an individual person authorized to obligate the company. The letter of transmittal MUST:

1. Identify the submitting business entity.
2. Identify the name, title, telephone, and e-mail address of the person authorized by the Offeror organization to contractually obligate the business entity providing the Offer.
3. Identify the name, title, telephone, and e-mail address of the person authorized to negotiate the contract on behalf of the organization (if different than (2) above).
4. Identify the names, titles, telephone, and e-mail addresses of persons to be contacted for clarification/questions regarding proposal content.

5. Identify sub-contractors (if any) anticipated to be utilized in the performance of any resultant contract award.
6. Describe the relationship with any other entity which will be used in the performance of this awarded contract.
7. Identify the following with a check mark and signature where required:
 - a. **Explicitly** indicate acceptance of the Conditions Governing the Procurement stated in Section II. C.1;
 - b. **Explicitly** indicate acceptance of Section V of this RFP; and
 - c. Acknowledge receipt of any and all amendments to this RFP.
8. Be signed by the person identified in para 2 above.

31. Disclosure Regarding Responsibility

- A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:
 1. is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
 2. has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
 - a. the 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;
 - b. violation of Federal or state antitrust statutes related to the submission of offers; or
 - c. the 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. is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;
 4. has, 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 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 year period preceding this offer, had one or more contracts terminated for default by any federal or 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 Contractor shall provide immediate written notice to the State Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous 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 termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the Contractor 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 a Contractor 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 during the term of this Agreement. 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 State Purchasing Agent or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further 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.

32. New Mexico Preferences

To ensure adequate consideration and application of NMSA 1978, § 13-1-21 (as amended), Offerors must include a copy of their preference certificate with their proposal. Certificates for preferences must be obtained through the New Mexico Department of Taxation & Revenue:

<http://www.tax.newmexico.gov/Businesses/in-state-veteran-preference-certification.aspx>.

A. New Mexico Business Preference

A copy of the certification must accompany your proposal.

B. New Mexico Resident Veterans Business Preference

A copy of the certification must accompany your proposal.

An agency shall not award a business both a resident business preference and a resident veteran business preference.

The New Mexico Preferences shall not apply when the expenditures for this RFP includes federal funds.

33. Eligible Entities

To be eligible to submit a proposal under this RFP, potential Offeror's must be an Independent Public Accountant, listed on the New Mexico Office of the State Auditor's 2020 Approved Audit Firm List and must have the proper certifications and licenses to do business in New Mexico as follows:

a. Corporations.

- (1) File Article of Incorporation with the Public Regulation Commission and recorded with the County pursuant to NMSA 1978, Section 53-4-6.
- (2) Name of registered agent pursuant to NMSA 1978, Section 53-5-2.
- (3) Certificate of Authority from the Public Regulation Commission indicating that the corporation is authorized to engage in business in New Mexico pursuant to NMSA 1978, Sections 53-17-6 and 53-17-8.
- (4) Obtain a Federal employer identification number.
- (5) Register with the New Mexico Taxation and Revenue Department and obtain a tax identification number to report gross receipts taxes.

b. Limited Liability Companies.

- (1) Registered office and registered agent for service of process that is a New Mexico resident or domestic corporation, limited liability company, or partnership that is located in New Mexico.
- (2) File an Application for Registration with the Public Regulation Commission to conduct business in New Mexico and must obtain a Certificate of Good Standing from the Public Regulation Commission to conduct business in New Mexico.
- (3) Obtain a Federal employer identification number.
- (4) Register with the New Mexico Taxation and Revenue Department and obtain a tax identification number to report gross receipts taxes.

c. Limited Partnerships.

- (1) Apply for Certificate of Registration with the New Mexico Secretary of State pursuant to NMSA 1978, Sections 54-2-1 through 54-2-48.
- (2) File a Statement of Qualifications with the New Mexico Secretary of State pursuant to NMSA 1978, Sections 54-1A-101 through 54-1A-1206.
- (3) Obtain a Federal employer identification number.
- (4) Register with the New Mexico Taxation and Revenue Department and obtain a tax identification number to report gross receipts taxes.

d. General Partnerships.

- (1) File a Statement of Partnership Authority with the Secretary of State pursuant to NMSA 1978, Sections 54-1A-101 through 54-1A-1206.
- (2) Obtain a Federal employer identification number.
- (3) Register with the New Mexico Taxation and Revenue Department and obtain a tax identification number to report gross receipts taxes.

e. Sole Proprietorships and Joint Ventures.

- (1) Obtain a Federal employer identification number.
- (2) Register with the New Mexico Taxation and Revenue Department and obtain a tax identification number to report gross receipts taxes.

34. Records Retention

The successful Offeror **shall** maintain and allow access to detailed records documenting services provided and expenses incurred for a minimum of three years. APPENDIX H

35. Conflict of Interest; Governmental Conduct Act.

The Offeror 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 or services required under the Agreement. The Offeror certifies requirements of the Governmental Conduct Act, Sections 10-16-1 through 10-16-18, NMSA 1978, regarding contracting with a public officer or state employee or former state employee have been followed.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Offerors shall submit only one proposal in response to this RFP.

B. NUMBER OF COPIES

1. Hard Copy Responses

Offeror's proposal must be clearly labeled and numbered and indexed as outlined in **Section III.C. Proposal Format**. Proposals must be submitted as outlined below. The original copy shall be clearly marked as such on the front of the binder. Each portion of the proposal (technical/cost) must be submitted in separate binders and must be prominently displayed on the front cover. Envelopes, packages or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

Offerors should deliver:

1. **Technical Proposals** – One (1) ORIGINAL, and three (3) HARD COPIES of the proposal containing ONLY the Technical Proposal; ORIGINAL and COPY shall be in separate labeled binders. Number of pages is limited to twenty (20) pages.

- Proposals containing confidential information **must** be submitted as two separate binders:
 - **Unredacted** version for evaluation purposes
 - **Redacted** version (information blacked out and not omitted or removed) for the public file

2. **Cost Proposals** – One (1) ORIGINAL and three (3) HARD COPIES of the proposal containing ONLY the Cost Proposal; ORIGINAL and COPY of Cost Proposal shall be in separate labeled binders from the Technical Proposals.

The original and hard copy information **must** be identical. In the event of a conflict between versions of the submitted proposal, the Original hard copy shall govern.

Any proposal that does not adhere to the requirements of this Section and **Section III.C.1 Response Format and Organization**, may be deemed non-responsive and rejected on that basis.

C. PROPOSAL FORMAT

All proposals must be submitted as follows:

Hard copies must be typewritten on standard 8 ½ x 11 inch paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within binders with tabs delineating each section. Pages must

be one-sided and numbered with one and one-half spaces between lines. Use an easily readable font such as Ariel or Times New Roman and type size must be 12- point.

Organization of folders/envelopes for hard copy proposals:

1. Proposal Content and Organization

Direct reference to pre-prepared or promotional material may be used if referenced and clearly marked. Promotional material should be minimal. The proposal must be organized and indexed in the following format and must contain, at a minimum, all listed items in the sequence indicated.

Technical Proposal (Binder 1):

- A. Signed Letter of Transmittal
 - 1. Appendix E
- B. Table of Contents
- C. Proposal Summary
- D. Response to Contract Terms and Conditions
- E. Offeror's Additional Terms and Conditions
- F. Response to Specifications (**except cost information which shall be included in Cost Proposal/Binder 2 only**)
 - 1. Eligibility Requirements
 - 2. Peer Review
 - 3. Capability of Firm
 - 4. Organizational References
 - 5. Work Requirements & Audit Approach
 - 6. Technical Experience
 - 7. Financial Stability - Financial information considered confidential should be placed in the **Confidential Information** binder.
 - 8. Signed Campaign Contribution Form
 - 1. Appendix B
 - 9. Signed Statement of Confidentiality
 - 1. Appendix J
 - 10. Signed Administrative and Fiscal Standards
 - 1. Appendix H
 - 11. Signed Suspension and Debarment Form
 - 1. Appendix I
 - 12. Signed New Mexico Employee Health Coverage Form
 - 1. Appendix G
 - 13. New Mexico Preferences (If applicable)
- G. Other Supporting Material (If applicable)

Cost Proposal (Binder 2):

- 1. Completed Cost Response Form
 - a. Appendix D

Within each section of the proposal, Offerors should address the items in the order indicated above. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the proposal. All discussion of proposed costs, rates or expenses must occur only in Binder #2 on the cost response form.

The proposal summary may be included by potential 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.

IV. SPECIFICATIONS

Offerors should respond in the form of a thorough narrative to each specification, unless otherwise instructed. The narratives, including required supporting materials will be evaluated and awarded points accordingly.

A. DETAILED SCOPE OF WORK

The scope of work requested in this proposal shall consist of:

- a) The Contractor shall conduct a financial and compliance audit of the following applicable statements and schedules prepared by the Agency and developed in ProSystem fx Engagement; for the fiscal years ending **June 30, 2020, June 30, 2021 and June 30, 2022:**
 - i. Basic Financial Statements consisting of the government-wide financial statements, fund financial statements, budgetary comparison statements for the general fund, the major funds and the non-major funds (GASB 34, footnote 53), and the notes to the financial statements;
 - ii. Required supplemental information (RSI), if applicable, consisting of budgetary comparison schedules for the general fund, major funds and non-major fund data presented on a fund, organization, or program structure basis because the budgetary information is not available on the GAAP fund structure basis for those funds (*GASB Statement No. 41, Budgetary Comparison Schedules—Perspective Differences an amendment of GASB Statement No. 34*) must be audited and included in the auditor’s opinion (AAG-SLV 14.52); (3) Supplemental Information (SI) that must be audited and included in the auditor’s opinion (AAG-SLV 14.52), if applicable, consisting of:
 - iii. Component unit fund financial statements and related combining statements (if there are no separately issued financial statements on the component unit per AAG-SLV 3.20);
 - iv. Combining financial statements;
 - v. 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 funds and non-major funds or as RSI as described above; and
 - vi. Remaining supplemental information schedules as required by Section 2.2.2.10.A(2) NMAC.
- 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:
 - i. The Management Discussion and Analysis (MD&A);
 - ii. RSI data required by Statements 25, 27, 43 and 45 regarding pension plans and post-employment healthcare plans administered by defined benefit pension plans; and

- iii. 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, *Code of Federal Regulations*, 2 CFR 200, and *Requirements for Contracting and Conducting Governmental Audits* (Section 2.2.2, et seq., NMAC);
 - i. Schedule of Expenditures of Federal Awards (SEFA).
 - d) The Contractor shall prepare a written and dated engagement letter which identifies the specific responsibilities of the Contractor and the Agency. The Contractor shall submit to the State Auditor an electronic copy of the signed and dated engagement letter and a list of client prepared documents with expected delivery dates within ten (10) days of the entrance conference.
 - e) The Contractor will conduct Audit Progress Meetings, at least semi-monthly, with Agency's financial and executive management staff to review the status of the audit and address potential findings.
 - f) 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 available for the audit and the Contractor delivers services on time. The deadline shall be based on the schedule of audit deliverables and agreed upon milestones as required by the Office of the State Auditor as outlined in NMAC 2.2.2. This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.
 - g) In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents in accordance with 2.2.2 NMAC:
 - i. an organized, bound and paginated hard copy of the Agency's audit report for review;
 - ii. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580;
 - iii. a list of the passed adjustments required by AU-C 580.14; and
 - iv. a copy of the completed State Auditor Report Review Guide available at www.osanm.org.
 - h) Reports postmarked by the Agency's due date will be considered received by the due date for purposes of 2.2.2.9, NMAC. 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 Section 2.2.2.13.C, NMAC. If copies of the engagement letter, management representation letter, list of past adjustments and the completed Report Review Guide are not received by the State

Auditor with the audit report or prior to submittal of the audit report, the report will not be considered submitted to the State Auditor.

- i) 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 Agency's oversight agency should also be notified, but confidential audit information shall be omitted from that notification.
- j) After its review of the audit report pursuant to Section 2.2.2, NMAC, the State Auditor will authorize the Contractor to print and submit the final audit report. Within two 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 and an electronic version of the audit report, in PDF format. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver 30 copies of the audit report to the Agency. Every member of the Agency's governing authority shall receive a copy of the report.
- k) The Agency, upon delivery of its audit report, shall submit the required copies of the data collection form, audit report and corrective action plan to the federal clearinghouse designated by the Office of Management and Budget and each federal awarding agency if the schedule of findings and questioned costs disclose audit findings directly related to federal awards.

*******END OF SCOPE*******

B. INFORMATION

1. Agency Resources

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

- a) Office space; computer connection, access will be available to copiers and fax machines.

2. Work Performance

For the purpose of preparing proposals, Offeror's are to assume that on-site work will be performed at an Offeror-proposed and Agency-approved site in Santa Fe, New Mexico. Travel may be necessary to perform interviews and test work at other field offices in New Mexico. Travel will be necessary to perform interview and test work at the Board office in Albuquerque.

Children, Youth and Families Department
1120 Paseo de Peralta, Room 114
Santa Fe, New Mexico 87501

C. MANDATORY SPECIFICATIONS

Offeror's **must** reply to each mandatory specification. Failure to respond to each mandatory specification **will** result in disqualification.

1. **Eligibility Requirements (Pass/Fail)**

1.1 **MUST** be licensed to do business in the State of New Mexico as a certified public accountant. Statement of concurrence is required.

1.2 **MUST** be an Independent Public Accountant and listed on the New Mexico Office of the State Auditor's 2020 Approved Audit Firm List. Statement of concurrence is required.

2. **Peer Review (Pass/Fail)**

Offeror **must** submit the recent copy of the external quality control review report including letter of comments with opinion received.

D. TECHNICAL SPECIFICATIONS

Offerors should respond in the form of a thorough narrative to each specification, unless otherwise instructed. The narratives, including required supporting materials will be evaluated and awarded points accordingly. The Proposal Narrative **must** typewritten on standard 8 ½ x 11 inch paper. Pages must be one-sided and numbered with one and one-half spaces between lines. Use an easily readable font such as Ariel or Times New Roman and type size must be 12- point. The proposal narrative may be no more than twenty (20) pages in length.

1. **Capability of Firm (300 Points)**

Offeror's **must** submit a statement of relevant organizational experience within the last five (5) years. The documentation must thoroughly describe how the Offeror has supplied expertise for similar contracts and work related to all aspects of the Summary Scope of Work (Section IV.A).

2. **Organizational References (50 Points)**

Offerors should provide a minimum of three (3) references from similar projects performed for private, state or large local government clients within the last five years. **Offerors are required to submit APPENDIX F, Organization Reference Questionnaire, to the business references they list. The business references must submit the Reference Form directly to the designee described in Sec I Paragraph D.** It is the Offeror's responsibility to ensure the completed forms are received on or before **March 31, 2020** for inclusion in the evaluation process.

Organizational References that are not received or are not complete, may adversely affect the vendor's score in the evaluation process. The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the

right to consider any and all information available to it (outside of the Business Reference information required herein), in its evaluation of Offeror responsibility per Section II, Para C.18.

Offerors shall submit the following Business Reference information as part of Offer:

- a) Client name;
- b) Project description;
- c) Project dates (starting and ending);
- d) Staff assigned to reference engagement that will be designated for work per this RFP; and
- e) Client Project Manager name, telephone number, fax number and e-mail address.

3. Work Requirements & Audit Approach (255 Points)

The Staff experience of the Offeror will be evaluated based upon documented experience on similar projects and engagements. The staff specific information should be included within the Offeror proposal as a resume for each proposed staff member to include a narrative on the staff members qualifications addressing the information requested. Organization specific requested information should be included within the overall narrative portion of the Offeror proposal

Include the following for each proposed staff member:

- Knowledge of audit objectives, agency needs, and product to be delivered
- Proposal or bid contains & sound technical plan and estimate of time to complete major segments of the audit; planning; interim fieldwork and reporting
- Plans for using agency staff. Describe your organization's approach for planning and conducting the work efforts.
- Approach for planning and conducting the work efforts of subsequent years (multi-year contract).

4. Technical Experience (260 Points)

- Governmental audit experience of on-site manager.
- Team audit experience.
 - Specialization in state agency audits.
 - GASB experience.
 - Uniform Grant Guidance
 - Experience with Single Audit.
 - Staff attendance at continuing professional education seminars or meetings on auditing, accounting and regulations directly related to state and local government audits and agreed upon procedures and services.

E. BUSINESS SPECIFICATIONS

1. Financial Stability

Offerors must submit copies of the most recent years independently audited financial statements and the most current 10K, as well as financial statements for the preceding three years, if they exist. The submission must include the audit opinion, the balance sheet, and statements of income, retained earnings, cash flows, and the notes to the financial statements. If independently audited financial statements do not exist, Offeror must state the reason and, instead, submit sufficient information (e.g. D & B report) to enable the Evaluation Committee to assess the financial stability of the Offeror.

2. Letter of Transmittal Form

The Offeror's proposal **must** be accompanied by the Letter of Transmittal Form located in APPENDIX E. The form **must** be completed and must be signed by the person authorized to obligate the company.

3. Campaign Contribution Disclosure Form

The Offeror **must** complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX B)

4. Statement of Confidentiality (Pass/Fail)

Offeror **must** complete and sign the Statement of Confidentiality Form located at APPENDIX M. This signed unaltered form must be submitted with your proposal The Offeror **must** agree with the terms and submit a signed Statement of Confidentiality Form with the submittal of their proposal. (See APPENDIX M)

5. Administrative and Fiscal Standards (Pass/Fail)

Offeror **must** complete and sign the Administrative and Fiscal Standards located at APPENDIX H. This signed unaltered form must be submitted with your proposal.

6. Suspension and Debarment Form (Pass/Fail)

Offeror **must** complete and sign the Suspension and Debarment Form located at APPENDIX I. This signed unaltered form must be submitted with your proposal.

7. New Mexico Employees Health Coverage Form (Pass/Fail)

Offeror **must** complete and sign the New Mexico Employees Health Coverage Form located at APPENDIX G. This signed unaltered form must be submitted with your proposal The Offeror **must** agree with the terms and submit a signed New Mexico Employees Health Coverage Form with the submittal of their proposal. (See APPENDIX G)

8. Cost Response (135 Points)

Points will be awarded based on the Offeror's proposed total cost per item on the proposal cost form in APPENDIX D.

$$\frac{\text{Lowest Proposed Total cost for Financial and Compliance Audit}}{\text{This Offeror's Proposed Total cost for Financial and Compliance Audit Costs}} \times 45 = \text{Award Points}$$

$$\frac{\text{Lowest proposed Total cost for Federal Single Audit}}{\text{This Offeror's Proposed Total cost for Federal Single Audit Costs}} \times 45 = \text{Award Points}$$

$$\frac{\text{Lowest Proposed Total cost for Financial Statement Audit}}{\text{This Offeror's Proposed Total cost for Financial Statement Audit Costs}} \times 45 = \text{Award Points}$$

9. Resident Business or Resident Veterans Preference

To ensure adequate consideration and application of NMSA 1978, § 13-1-21 (as amended), Offerors **must** include a copy of their preference certificate in this section.

V. EVALUATION

A. EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

Factors – correspond to section IV.B and IV C	Points Available
C. Mandatory Specifications	
C. 1. Eligibility Requirements	Pass/Fail
C. 2. Peer Review	Pass/Fail
D. Technical Specifications	
D. 1. Capability of Firm	300 Points
D. 2. Organizational References	50 Points
D. 3. Work Requirements & Audit Approach	255 Points
D. 4. Technical Experience	260 Points
E. Business Specifications	
E.1. Financial Stability	Pass/Fail
E.2. Letter Of Transmittal	Pass/Fail
E.3. Signed Campaign Contribution Disclosure Form	Pass/Fail
E.4. Statement of Confidentiality	Pass/Fail
E.5. Administrative and Fiscal Standards	Pass/Fail
E.6. Suspension and Debarment Form	Pass/Fail
E.7. New Mexico Employees Health Coverage Form	Pass/Fail
E.8. Cost	135
TOTAL	1,000 points
E.9. New Mexico Preference - Resident Vendor Points per Section IV E. 9	
E.9. New Mexico Preference - Resident Veterans Points per Section IV E.9	

Table 1: Evaluation Point Summary

B. EVALUATION FACTORS

1. C.1 Eligibility Requirements (Pass/Fail)

1.1 **MUST** be licensed to do business in the State of New Mexico as a certified public accountant. Statement of concurrence is required.

1.2 **MUST** be an Independent Public Accountant and listed on the New Mexico Office of the State Auditor’s 2020 Approved Audit Firm List. Statement of concurrence is required.

2. C.2 Peer Review (Pass/Fail)

Offeror **must** submit the recent copy of the external quality control review report including letter of comments with opinion received.

3. D.1 Capability of Firm (300 Points)

Points will be awarded based on the thoroughness and clarity of the response of the engagements cited and the perceived validity of the response.

Offeror's **must** provide:

- a) The number of firm team members that can perform the type and size of the audit required. Total audit hours available.
- b) Offeror's **must** submit a statement of relevant organizational experience within the last five (5) years. The documentation must thoroughly describe how the Offeror has supplied expertise for similar contracts and work related to all aspects of the Summary Scope of Work (Section IV.A).

4. D.2 Organizational References (50 Points)

Points will be awarded based upon an evaluation of the responses to a series of questions as per Appendix F. Points will be awarded for each individual response up to 1/3 of the total points for this category. Lack of a response will be awarded zero (0) points.

5. D.3 Work Requirements & Audit Approach (255)

Points will be awarded based on the thoroughness and clarity of the response of the engagements cited and the perceived validity of the response.

The Staff experience of the Offeror will be evaluated based upon documented experience on similar projects and engagements. The staff specific information should be included within the Offeror proposal as a resume for each proposed staff member to include a narrative on the staff members qualifications addressing the information requested. Organization specific requested information should be included within the overall narrative portion of the Offeror proposal

Include the following for each proposed staff member:

- Knowledge of audit objectives, agency needs, and product to be delivered
- Proposal or bid contains & sound technical plan and estimate of time to complete major segments of the audit; planning; interim fieldwork and reporting
- Plans for using agency staff. Describe your organization's approach for planning and conducting the work efforts.
Approach for planning and conducting the work efforts of subsequent years (multi-year contract).

6. D.4 Technical Experience (260 Points)

Points will be awarded based on the thoroughness and clarity of the response of the engagements cited and the perceived validity of the response.

- Governmental audit experience of on-site manager.
- Team audit experience.
 - Specialization in state agency audits.
 - GASB experience.
 - Uniform Grant Guidance
 - Experience with Single Audit.
 Staff attendance at continuing professional education seminars or meetings on auditing, accounting and regulations directly related to state and local government audits and agreed upon procedures and services.

7. E.1 Financial Stability (See Table 1)

Pass/Fail only. No points assigned.

8. E.2 Letter of Transmittal (See Table 1)

Pass/Fail only. No points assigned.

9. E.3 Campaign Contribution Disclosure Form (See Table 1)

Pass/Fail only. No points assigned.

10. E.4 Statement of Confidentiality (See Table 1)

Pass/Fail only. No points assigned.

11. E.5 Administrative and Fiscal Standards (See Table 1)

Pass/Fail only. No points assigned.

12. E.6 Suspension and Debarment Form (See Table 1)

Pass/Fail only. No points assigned.

13. E.7 New Mexico Health Coverage Form (See Table 1)

Pass/Fail only. No points assigned.

14. E.8 Cost (See Table 1)

The evaluation of each Offeror's cost proposal will be conducted using the following formula:

$$\frac{\text{Lowest Responsive Offer Bid}}{\text{This Offeror's Bid}} \times \text{Available Award Points}$$

15. E.9. New Mexico Preferences

Percentages will be determined based upon the point based system outlined in NMSA 1978, § 13-1-21 (as amended).

A. New Mexico Business Preference

If the Offeror has provided a copy of their Preference Certificate the Preference Points for a New Mexico Business is 5%.

B. New Mexico Resident Veterans Business Preference

If the Offeror has provided a copy of their Preference Certificate the Preference Point is 10%.

C. EVALUATION PROCESS

1. All Offeror proposals will be reviewed for compliance with the requirements and specifications 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. B.7.
3. The Evaluation Committee may use other sources of to perform the evaluation as specified in Section II. C.18.
4. Responsive proposals will be evaluated on the factors in Section IV, which have been assigned a point value. The responsible Offerors with the highest scores will be selected as finalist Offerors, based upon the proposals submitted. The responsible Offerors whose proposals are most advantageous to the State taking into consideration the evaluation factors in Section IV will be recommended for award (as specified in Section II. B.8). 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

ACKNOWLEDGEMENT OF RECEIPT FORM

APPENDIX A
REQUEST FOR PROPOSAL

Audit Services RFP
20-690-10-19896

ACKNOWLEDGEMENT OF RECEIPT FORM

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

The acknowledgement of receipt should be signed and returned to the Procurement Manager no later than **March 13, 2020**. 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 the written responses to those questions as well as RFP amendments, if any are issued.

FIRM: _____

REPRESENTED BY: _____

TITLE: _____ PHONE NO.: _____

E-MAIL: _____ 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 Proposal.

Michelle Taylor, Procurement Manager
Audit Services RFP #20-690-10-19896
1120 Paseo de Peralta, Room 101
PERA Building
Santa Fe, NM 87501
E-mail: michelle.randall@state.nm.us

APPENDIX B

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Campaign Contribution Disclosure Form

Pursuant to NMSA 1978, § 13-1-191.1 (2006), any person seeking to enter into a contract with any state agency or local public body for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

Furthermore, the state agency or local public body shall void an executed contract or cancel a solicitation or proposed award for a proposed contract if: 1) a prospective contractor, a family member of the prospective contractor, or a 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 or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

THIS FORM 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 either 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 spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

“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.

“Person” means any corporation, partnership, individual, joint venture, association or any other private legal entity.

“Prospective contractor” means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a 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.

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Name of Applicable Public Official: _____

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 C
SAMPLE CONTRACT

APPENDIX D

COST RESPONSE FORM

OFFEROR NAME: _____

The Offeror submits the following fee to complete the requirements as defined in this RFP (See Section IV Paragraph E.8, Section V Paragraph B.14) for the State of New Mexico.

Proposed Costs for Fiscal Year 2020	Total Hours	Total Cost
1. Total cost for Financial and Compliance Audit	_____	_____
2. Total cost for Federal Single Audit	_____	_____
3. Total cost for Financial Statement Audit	_____	_____
Total Cost for Fiscal Year 2020	=====	=====

Proposed Costs for Fiscal Year 2021	Total Hours	Total Cost
1. Total cost for Financial and Compliance Audit	_____	_____
2. Total cost for Federal Single Audit	_____	_____
3. Total cost for Financial Statement Audit	_____	_____
Total Cost for Fiscal Year 2021	=====	=====

Proposed Costs for Fiscal Year 2022	Total Hours	Total Cost
1. Total cost for Financial and Compliance Audit	_____	_____
2. Total cost for Federal Single Audit	_____	_____
3. Total cost for Financial Statement Audit	_____	_____
Total Cost for Fiscal Year 2022	=====	=====

(includes all labor, materials, equipment, transportation, fees and taxes to provide the Services described in Section IV, (as amended by any current RFP amendments for the period specified above)

APPENDIX E

LETTER OF TRANSMITTAL FORM

APPENDIX E
Letter of Transmittal Form

RFP#: 20-690-10-19896 Audit Services

Offeror Name: _____ **FED ID#** _____

Supplier ID#: _____ **NM CRS #** _____

Items #1 to #7 EACH MUST BE COMPLETED IN FULL Failure to respond to all seven items WILL RESULT IN THE DISQUALIFICATION OF THE PROPOSAL!

1. **Identity (Name) and Mailing Address** of the submitting organization:

2. For the person authorized by the organization to contractually obligate on behalf of this Offer:

Name _____

Title _____

E-Mail Address _____

Telephone Number _____

3. For the person authorized by the organization to negotiate on behalf of this Offer:

Name _____

Title _____

E-Mail Address _____

Telephone Number _____

4. For the person authorized by the organization to clarify/respond to queries regarding this Offer:

Name _____

Title _____

E-Mail Address _____

Telephone Number _____

5. Use of Sub-Contractors (Select one)

___ No sub-contractors will be used in the performance of any resultant contract OR

___ The following sub-contractors will be used in the performance of any resultant contract:

(Attach extra sheets, as needed)

6. Please describe any relationship with any entity (other than Subcontractors listed in (5) above) which will be used in the performance of any resultant contract.

(Attach extra sheets, as needed)

7. ___ On behalf of the submitting organization named in item #1, above, I accept the Conditions Governing the Procurement as required in Section II. C.1.

___ I concur that submission of our proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP.

___ I acknowledge receipt of any and all amendments to this RFP.

_____, 2020

Authorized Signature and Date (Must be signed by the person identified in item #2, above.)

APPENDIX F

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

The State of New Mexico, as a part of the RFP process, requires Offerors to submit a minimum of three (3) business references as required within this document. The purpose of these references is to document Offeror's experience relevant to the scope of work in an effort to establish Offeror's responsibility.

Offeror is required to send the following reference form to each business reference listed. The business reference, in turn, is requested to submit the Reference Form directly to: **Michelle Taylor, Procurement Manager**, michelle.randall@state.nm.us by **March 31, 2020** for inclusion in the evaluation process. The form and information provided will become a part of the submitted proposal. Business references provided may be contacted for validation of content provided therein.

RFP 20-690-10-19896
ORGANIZATIONAL REFERENCE QUESTIONNAIRE
FOR:

(Name of Offeror)

This form is being submitted to your company for completion as a business reference for the company listed above. This form is to be returned to the State of New Mexico, Children, Youth and Families Department via e-mail at:

Name: Michelle Taylor, Procurement Manager
Address: 1120 Paseo de Peralta
Santa Fe, NM
87501
Telephone: 505-827-4039
Email: michelle.randall@state.nm.us

no later than **March 31, 2020**, and **must not** be returned to the company requesting the reference.

For questions or concerns regarding this form, please contact the State of New Mexico Procurement Manager listed above. When contacting us, please be sure to include the Request for Proposal number listed at the top of this page.

Company providing reference:	
Contact name and title/position	
Contact telephone number	
Contact e-mail address	
Project description;	
Project dates (starting and ending);	

QUESTIONS:

1. In what capacity have you worked with this vendor in the past?
COMMENTS:

2. How would you rate this firm's knowledge and expertise?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

3. How would you rate the vendor's flexibility relative to changes in the project scope and timelines?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

4. What is your level of satisfaction with hard-copy materials produced by the vendor?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

5. How would you rate the dynamics/interaction between the vendor and your staff?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

6. Who were the vendor's principal representatives involved in your project and how would you rate them individually? Would you comment on the skills, knowledge, behaviors or other factors on which you based the rating?

(3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

COMMENTS:

7. How satisfied are you with the products developed by the vendor?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

8. With which aspect(s) of this vendor's services are you most satisfied?
COMMENTS:

9. With which aspect(s) of this vendor's services are you least satisfied?
COMMENTS:

10. Would you recommend this vendor's services to your organization again?
COMMENTS:

APPENDIX G

NEW MEXICO EMPLOYEES 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://www.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 H
ADMINISTRATIVE AND FISCAL STANDARDS

APPENDIX H
ADMINISTRATIVE AND FISCAL STANDARDS
CHILDREN, YOUTH AND FAMILIES DEPARTMENT'S
ADMINISTRATIVE
AND
FISCAL STANDARDS

For Sole Proprietors,
For Non-Profit Organizations,
Local Bodies of Government,
And
For-Profit Incorporated Entities

Revised February 16, 2017

Note: All contractors and subcontractors are required to adhere to all local, state and federal regulations as applicable to their operations. All contractors are required to follow audit and reporting requirements set forth in this document. In the event of a contradiction between these standards and contract requirements the contract agreement supersedes the Administrative and Fiscal Standards.

ADMINISTRATIVE STANDARDS

For Non-Profit Organizations (with the exception of New Mexico higher education institutions, executive, judicial, and legislative branches of state government)

1. The Board shall ensure that the Non-Profit Organization has current articles of incorporation that meet all of the legal requirements of the governmental jurisdiction in which the contractor is located.
2. The Board shall ensure that the Non-Profit Organization has current by-laws that are filed with the appropriate local, state, federal body or higher education institutions. At a minimum, the Non-Profit Organization's by-laws should include:
 - a. Membership (types, qualification, rights, duties);
 - b. Size of Board of Directors;
 - c. Method of selection and removal;
 - d. Duties and responsibilities of officers;
 - e. Committees;
 - f. Quorums;
 - g. Recording of minutes;
 - h. Method for amending by-laws.
3. The Board shall ensure that the Non-Profit Organization complies with applicable legal requirements and regulations of all governmental and legally authorized agencies under whose authorities it operates. These include, but are not limited to those regarding equal employment opportunity, workers compensation, unemployment insurance, affirmative action, safety, licensing, etc.
4. Board members shall be residents of the area served by the organization and representative of the social, economic, linguistic, ethnic, and racial target population. The Non-Profit Organization shall not employ a person related to a Board member by consanguinity or affinity within the third degree. This includes, but is not limited to, spouse, mother, father, brother, sister, grandparents, aunt, uncle, niece, nephew, first cousins, mother-in-law, father-in-law, brother-in-law or sister-in-law.
5. A permanent record shall be kept of all meetings of the Board. Minutes of the meetings of the Non-Profit Organization's Board are required in order to accurately record the decisions made and actions taken. These minutes shall include, but not be limited to, meeting date, names of members attending, topic discussed, decisions reached, actions taken, and attachment of any documents referenced. Board minutes shall be signed and approved by an officer of the Board.

For All Contractors

Personnel

1. The Contractor shall have a current and dated organization chart that accurately reflects the staff structure of authority, responsibility and accountability within the organization. The organizational chart must illustrate the relationship of each position or department to all other positions or departments within the organization.
2. The Contractor shall have written personnel policies and procedures. All policies and procedures shall be reviewed annually, and any changes, additions, deletions, etc., shall be dated. Procedures must be in place that allows employees to provide input into changes in agency and personnel policies and procedures.
3. The Contractor shall maintain current, written job descriptions and job qualifications for all positions (staff, consultants and direct service volunteers) within the Contractor entity. Each job description shall include, at a minimum:
 - a. Job title;
 - b. Salary range;
 - c. Duties;
 - d. Responsibilities of the positions;
 - e. Required minimum experience;
 - f. Required minimum training;
 - g. Required minimum education.
4. The Contractor shall maintain a current, accurate and confidential personnel record for each paid and direct service volunteer or employee. A personnel record on each volunteer or employee shall contain, at a minimum;
 - a. Job description;
 - b. Initial application/resume;
 - c. Documentation of reference letters;
 - d. Result of employment investigation;
 - e. Background checks;
 1. Agency contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to children. Additionally, all Information Technology (IT) contractors are required to have a background check. The Contractor must submit to Agency Background Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required having background checks. Agency Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. An Agency eligibility letter must be in the employee,

volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to children.

- f. Education/experience required;
- g. Wage and salary information;
- h. Job performance evaluation;
- i. Documentation/verification of all previous and ongoing training (including all component specific training and education);
- j. Incident reports;
- k. Commendations or disciplinary actions (if any).

This information must be reliable, accurate and current. All employee and volunteer records must be kept in a locked file to ensure confidentiality.

5. The Contractor shall be headed by a director. The director shall be responsible for the daily operation of the Contractor through decision-making, authorization of expenditures, and the implementation of policies and procedures.

Physical Facilities

The physical facilities must meet all licensing requirements per classification and should be located, constructed, equipped and operated to promote the efficient and effective conduct of the Contractor's programs, to protect the health and safety of the persons serviced and the staff to promote the integration of those served into the community, to be accessible to persons served, staff and the community, meet the American's with Disabilities Act (ADA) and the Drug-Free Workplace Act of 1988.

FISCAL STANDARDS

For All Contractors

Compliance

1. The Contractor shall comply with all federal and state statutes, rules and regulations. Cost principles, administrative requirements and audit requirements, applicable to federal grants shall apply to state funds as referenced in the section Source Sheet of the AGENCY Administrative and Fiscal Standards.
2. The Contractor shall comply with all aspects of the provision of the contract, including all insurance, bonding and audit and financial reporting requirements.
3. The Contractor (non-federal entities and applicants) must disclose all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
4. The Contractor (non-federal entities and applicants) shall maintain a code of conduct policy that includes annual review and disclosure of any employee, board member or

subcontractor (e.g., [consultants](#) or [independent contractors](#)) that may have a **conflict of interest** or **conviction of a misdemeanor or felony**, had a judgment withheld or deferred, or are currently charged with committing a misdemeanor or felony.

Insurance

1. The Contractor, (with the exception of New Mexico higher education institutions, **executive, judicial, and legislative branches of state government**) shall obtain and maintain at all times during the term of this contract an Employee Dishonesty Policy covering the activities of the contractor in the amount of no less than 25% of the total (cumulative) dollar amount of the current Agency contract(s).
2. The Contractor shall obtain and maintain at all times during the term of this contract a general and professional liability insurance policy issued by an insurance company licensed to do business in the State of New Mexico. The policy shall include liability insurance coverage provided in the amount of at least \$100,000 for damage to or destruction of property arising out of a single occurrence; \$300,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage; or \$500,000 for all claims arising out of a single occurrence. The policy shall be secured by the Contractor within thirty (30) days of the effective date of the current contract.
3. The Contractor, (with the exception of New Mexico higher education institutions **executive, judicial, and legislative branches of state government**) if insured by General Services Department's Risk Management Division, shall secure and maintain sufficient fire and extended hazard insurance on all property in the custody of the Contractor, which is furnished or owned by the Agency or in which the Agency has a financial interest, within thirty (30) days of the effective date of the current agreement. Sufficient insurance, for the purposes of this paragraph, means enough to cover the Agency's loss, if any to such property, in the event of fire or other hazard.
4. The Contractor, (with the exception of New Mexico higher education institutions **executive, judicial, and legislative branches of state government**) if insured by General Services Department's Risk Management Division, shall name Children, Youth and Families Department as an "Additional Insured" with the insurance carrier of the Contractor's liability insurance. A copy of the Contractor's "Certificate of Liability Insurance" proving compliance with all the above insurance requirements must be available upon request.

Fiscal Books of Records

The Contractor must maintain the following books of record:

1. Chart of Accounts
2. General Ledger
3. Cash Receipts and Cash Disbursements Journals

4. General Journal of adjusting entries, correcting entries, accrual entries, and cost allocation entries if not provided for in cash journals.
5. Subsidiary ledgers, if applicable to the organization.
6. Any Capital Outlay Inventory purchased with Agency funding includes at a minimum:
 - a. Description of property;
 - b. Serial number or other ID number;
 - c. Date of purchase;
 - d. Acquisition cost by funding source(s);
 - e. Location and use of property;
 - f. Disposition data including date and price, if any.
7. Payroll journals and employee earnings records.
8. Fiscal Policy and Procedures that must include:
 - a. Handling of cash/checks;
 - b. Handling of voided checks;
 - c. Authorized check signatures;
 - d. Bank reconciliations;
 - e. Separation of duties;
 - f. Accounting system;
 - g. Travel, if included in the services, will adhere to Per Diem and Mileage Act Sections 10-8-1 to 10-8-8 NMSA 1978, regulations governing the per diem and mileage Act, and 2.42.2.11 NMAC, mileage –private conveyance, effective June 19, 2009.)
 - h. Cost allocation method;
 - i. Accounting policies for donations.
 - j. Conflict of Interest Policy

Reports

1. The Contractor shall complete in full the State and Federal payroll tax forms in accordance with required time period and shall insure payroll taxes are paid within the required time frame.
2. The Contractor shall complete in full and submit the required forms of the New Mexico State Department of Labor.
3. The Contractor shall submit timely program and financial reports to the funding agencies as specified in the contracts.

Retention of Records

The following are the requirements for the retention of financial records:

1. The Contractor shall maintain for three (3) years, (in addition to current year records) detailed accounting and billing records which indicate the date, time, and nature of services rendered, records relating to contract services, and all operating financial documentation which shall be subject to inspection by the Agency and if applicable, the New Mexico State Auditor or their designee.
2. The Agency shall have a right to audit billings and related documents both before and after payment. Payments made under a contract between the Contractor and the Agency shall not foreclose the right of the Agency to recover excessive, illegal payments, and/or payments which are not in accordance with the contract.
3. The Contractor shall maintain the funds from the Agency contract **separately** in accurate financial records, books, files, and reports in accordance with generally accepted accounting principles, state and federal laws and regulation, and the requirements of the Agency as described in this Administrative and Fiscal Standards Guidance.
4. The financial management systems established by the Contractor shall ensure it provides fiscal and budgetary controls as well as sound accounting procedures. A Schedule of Revenues & Expenditures Budget to Actual Comparison for each contract must be prepared and submitted to the Agency at the same time as the annual financial audit or financial statement. The Schedule must include the approved original budget for the fiscal year, revised budget, actual revenue and expenditures and a variance column.

Audits

NOTE: Audit and financial reporting requirements are applicable to all contractors and subcontractors of the Children, Youth and Families Department.

1. Sole proprietor contractors receiving Agency funds under \$100,000.00 must submit to the Agency the Internal Revenue Services (IRS) Schedule C Profit or Loss From Business (Sole Proprietorship) and provide the State of New Mexico Taxation and Revenue Department Combined Report System (CRS-1) Form. Sole Proprietor billings are subject to review by the Agency contract and program site reviewers and must be available upon request. A Sole Proprietorship is a type of business entity that is owned and run by one individual and in which there is no legal distinction between the owner and the business.
2. Audits for a contractor receiving under \$250,000.00 per year in cumulative Agency funds (a total of all Agency contracts awarded to the contractor within a fiscal year) whose Board has elected to not conduct an audit must comply with the following:
 - a) The contractor shall prepare financial statements that include a Revenue and Expenditure – Budget to Actual Comparison, Balance Sheet or Statement of Net Position and Income Statement or Statement of Activities. The contractor shall disclose the method of accounting used (cash or accrual) to prepare such statements.

The Revenues and Expenditures – Budget to Actual Comparison statement must include the original budget for the fiscal year as approved by the Board, revised budget, actual revenue and expenditures and variance column. A cash disbursement and cash receipt journal cannot take the place of the Balance Sheet and Income Statement. These financial statements shall be submitted to the Agency’s Contract Audit Unit within three (3) months of the contractor’s fiscal year end.

- b) This section (Section 2) does not apply to sole proprietor contracts covered under Audits section 1.
3. Audits for a contractor receiving \$250,000.00 to \$500,000.00 per year in cumulative Agency funds (a total of all Agency contracts awarded to the contractor with in a fiscal year) whose Board has elected to not conduct an audit must comply with the following:
- a) The contractor shall have an Independent Auditor’s Report of Agreed-Upon Procedures (AUP) to ensure compliance with contract requirements in accordance established by the American Institute of Certified Public Accountants. The AUP report shall be submitted to the Agency’s Contract Audit Unit within nine (9) months of the contractor’s fiscal year end.
 - b) The contractor shall ensure that the selected accounting firm performing the AUP report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break.
 - c) The selected auditor shall not have provided non-auditing services within the year being audited that may be disallowed by the Generally Accepted Government Auditing Standards (GAGAS) independence standards (refer to The State of New Mexico State Auditor, State Audit Rule Subsection N of 2.2.2.8 NMAC).
4. Audits for a contractor receiving \$500,000.00 or greater per year in cumulative Agency funds must disclose how much funding is being received from governmental funds (a total of all Agency contracts awarded to the contractor with in a fiscal year):
- a) The contractor shall have an Independent Audit Report that conforms to the General Accounting Standards (Yellow Book) as recommended by GAO. This Independent Audit Report shall be submitted to the Agency’s Contract Audit Unit within nine (9) months of the contractor’s fiscal year end. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two year break.
 - c) The selected auditor shall not have provided non-auditing services within the year being audited that may be disallowed by the Generally Accepted Government

Auditing Standards (GAGAS) independence standards (refer to The State of New Mexico State Auditor, State Audit Rule Subsection N of 2.2.2.8 NMAC).

5. A contractor receiving over \$750,000.00 per year in cumulative Federal funds must disclose in their financial audit report how much funding is being received from governmental funds (a total of all funds awarded to the contractor within a fiscal year) must adhere to the “uniform guidance for federal awards” (Uniform Guidance). The standards set forth in Title 2 Grants and Agreements Subtitle A Chapter II Part 200 Subpart F- Audit Requirements. For one full fiscal year after the effective date of the uniform guidance, non-federal entities must comply with the terms and conditions of their federal award, which will specify whether the uniform guidance applies. The contractor must have available upon request a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
 - a) The audited financial statements shall be submitted to the Agency’s Contract Audit Unit within nine (9) months of their fiscal year end. The contractor must also have available upon request the Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break.
 - c) The selected auditor shall not have provided non-auditing services within the year being audited that may be disallowed by the Generally Accepted Government Auditing Standards (GAGAS) independence standards (refer to The State of New Mexico State Auditor, State Audit Rule Subsection N of 2.2.2.8 NMAC).
6. Financial Statements, Independent Auditor’s Report of Agreed-Upon Procedures (AUP), and Audits must be mailed to:

Children, Youth and Families Department
Administrative Services Division
Contract Audit Unit
P.O. Box 5160
Santa Fe, NM 87502

SOURCE SHEET

ADMINISTRATIVE REQUIREMENTS

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)

<https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>

State of New Mexico Manual of Model Accounting Practices (MAP's) issued by the New Mexico Department of Finance and Administration-Financial Control Division

<http://www.nmdfa.state.nm.us/Manuals.aspx>

The State of New Mexico State Auditor, State Audit Rule

http://www.saonm.org/state_auditor_rule

COST PRINCIPLES

Title 2 CFR, Chapter 1, Part 170, Reporting Sub-award and Executive Compensation Information.

Title 2 Grants and -Agreements Subtitle A Chapter II Part 200,

- Subpart A – Acronyms and Definitions
- Subpart B- General Provisions
- Subpart C – Pre-Federal Award Requirements and Contents of Federal Awards
- Subpart D- Post Federal Award Requirements
- Subpart E- Cost Principles
- Subpart F – Audit Requirements

FASB and AICPA Statements and Professional Pronouncements.

AUDITS

U.S. General Accounting Office, Government Auditing Standards, (The Yellow Book, current revision).

FASB and AICPA Statements and Professional Pronouncements.

Signature of Offeror: _____

Date_____

APPENDIX I
Suspension and Debarment Form

APPENDIX I

Suspension and Debarment Form

- A. Consistent with either 7 C.F.R. Part 3017 or 45 C.F.R. Part 76, as applicable, and as a separate and independent requirement of this contract with the Children, Youth and Families Department (AGENCY), the Contractor certifies by signing this form, that it and its principals, to the best of its knowledge and belief: (1) are not debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal department or agency; (2) have not, within a three-year period preceding the effective date of this contract, been convicted of or had a 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 relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; (3) have not been indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with, commission of any of the offenses enumerated above in this Paragraph A; (4) have not, within a three-year period preceding the effective date of this PSC, had one or more public agreements or transactions (Federal, State or local) terminated for cause or default; and (5) have not been excluded from participation from Medicare, Medicaid or other federal health care programs pursuant to Title XI of the Social Security Act, 42 U.S.C. § 1320a-7.
- B. The Contractor's certification in Paragraph A, above, is a material representation of fact upon which the AGENCY relied when this contract was entered into by the parties. The Contractor's certification in Paragraph A, above, shall be a continuing term or condition of this contract. As such at all times during the performance of this contract, the Contractor must be capable of making the certification required in Paragraph A, above, as if on the date of making such new certification the Contractor was then executing this contract for the first time. Accordingly, the following requirements shall be read so as to apply to the original certification of the Contractor in Paragraph A, above, or to any new certification the Contractor is required to be capable of making as stated in the preceding sentence:
- (1) The Contractor shall provide immediate written notice to the AGENCY's Program Manager if, at any time during the term of this contract, the Contractor learns that its certification in Paragraph A, above, was erroneous on the effective date of this contract or has become erroneous by reason of new or changed circumstances.
 - (2) If it is later determined that the Contractor's certification in Paragraph A, above, was erroneous on the effective date of this contract or has become erroneous by reason of new or changed circumstances, in addition to other remedies available to the AGENCY, the AGENCY may terminate the contract.
- C. As required by statute, regulation or requirement of this contract, and as contained in Paragraph A, above, the Contractor shall require each proposed first-tier subcontractor whose subcontract

will equal or exceed \$25,000, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by any Federal department or agency. The Contractor shall make such disclosures available to the AGENCY when it requests subcontractor approval from the AGENCY. If the subcontractor, or its principals, is debarred, suspended, or proposed for debarment by any Federal, state or local department or agency, the AGENCY may refuse to approve the use of the subcontractor.

By: _____
Offeror

Date: _____

APPENDIX J
Confidentiality Agreement

APPENDIX J

Confidentiality Agreement

THIS CONFIDENTIALITY AGREEMENT is made and entered as of [Insert Today's Date or Date on Which SHARE Password Was First Given], by and between the [Insert Name of State Agency for Whom Recipient is Preparing Fiscal Year Audit] and [Insert Business Name of Auditor], a [Insert Type of Business Entity], with a business address of [Insert Business Address] (Recipient).

WHEREAS, Recipient has been retained by [Insert Name of State Agency for Whom Recipient is Preparing Fiscal Year Audit] to conduct its fiscal year [Insert Fiscal Year] annual audit, which agency is referred to throughout the remainder of this Agreement as "Client Agency"; and

WHEREAS, in conjunction with such audit, Recipient desires access to the Statewide Human Resource, Accounting, and Management Reporting System (SHARE) and certain data concerning the Client Agency contained therein; and

WHEREAS, as a condition of granting such access through a special password, the Client Agency and the Department of Finance and Administration (DFA) requires Recipient to agree to keep information and data in SHARE confidential, in accordance with this Agreement.

NOW, THEREFORE, in consideration of Recipient being given access to Confidential Information, as later defined, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows.

1. Confidential Information Defined. "Confidential Information" means all information or data contained in SHARE that is available to Recipient through use of the SHARE password given to Recipient pursuant to this Agreement.

2. Use and Disclosure of Confidential Information. Unless otherwise approved by DFA or the Client Agency in writing, in advance, Recipient shall use Confidential Information solely in conjunction with the fiscal year [Insert Fiscal Year] annual audit it is preparing on behalf of the Client Agency. Recipient shall not disclose Confidential Information to any person or entity other than the Client Agency and its representatives without DFA's or the Client Agency's prior written approval; provided, however, Recipient may disclose Confidential Information (i) to its employees who are assisting with the preparation of the Client Agency's fiscal year [Insert Fiscal Year] audit; (ii) in the Client Agency's fiscal year [Insert Fiscal Year] audit, in accordance with and to the extent required or permitted by Generally Accepted Auditing Standards or law; or (iii) if required to do so by law or pursuant to a court order or other legal process or lawful demand.

DFA will only approve the use or disclosure of Confidential Information if: (i) the Confidential Information is contained in a public record subject to disclosure under the Inspection of Public Records Act, Sections 14-2-1, et seq. NMSA 1978, or comparable statute; (ii) the Recipient properly possessed the Confidential Information prior to receiving its SHARE password; (iii) the Recipient rightfully received the Confidential Information from a third party not owing a duty of confidentiality to DFA, the Client Agency, or the State; or (iv) the Confidential Information was made a matter of public record by DFA or the Client Agency.

3. Procedures for Requesting DFA's Permission for Use or Disclosure of Confidential Information; Notice of Lawful Demand for Disclosure. Recipient shall request DFA's written approval to use or disclose Confidential Information as far in advance as possible, but in no event shall DFA receive the request less than five (5) business days before the date on which Recipient desires to use or disclose the Confidential Information.

Recipient shall immediately forward to DFA all court orders, other legal process, or other lawful demands that call for the disclosure of Confidential Information. Until DFA indicates that it does not object to the disclosure, Recipient shall take all reasonable and lawful steps to avoid disclosure of the Confidential Information, so as to allow DFA time to intervene in the proceedings or take other appropriate steps to legally prevent the disclosure, such as seek a protective order.

4. Use and Disclosure of SHARE Password. Pursuant to this Agreement, the Client Agency shall give Recipient a special SHARE password. Recipient agrees to use the password solely for purposes of the Client Agency's fiscal year [Insert Fiscal Year] audit and for no other purpose. Recipient also agrees not to disclose the password to anyone other than its employees who are assisting with the preparation of the Client Agency's fiscal year [Insert Fiscal Year] audit.

5. Safekeeping and Return of Confidential Information. Recipient shall take reasonable steps to safeguard the Confidential Information. Upon conclusion of the Client Agency's fiscal year [Insert Fiscal Year] audit, Recipient shall destroy or return to the Client Agency all Confidential Information; provided, however, that Recipient may retain Confidential Information if required to do so by Generally Accepted Auditing Standards or law.

6. Remedies. Recipient acknowledges that the remedy at law for any breach of the terms of this Agreement shall be inadequate and the damages resulting from such breach are not readily susceptible to being measured in monetary terms. Accordingly, in the event of a breach or threatened breach by Recipient of the Terms of this Agreement, DFA and the Client Agency shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or future breach, including the recovery of damages from Recipient. Such injunctive relief shall be in addition to any other remedies to which DFA or the Client Agency may be entitled.

7. DFA Representative with Authority. Ronald C. Spilman, Director/State Controller, is hereby designated as the DFA representative with authority to authorize the use or disclosure of Confidential Information. Recipient shall send all requests to use or disclose Confidential Information and all court orders, other legal process, or other lawful demands calling for the disclosure of Confidential Information to Mr. Spilman by certified mail, return receipt requested, at the following address:

Department of Finance and Administration
ATTN: Ron Spilman, Director/State Controller
Bataan Memorial Building, Room 166
Santa Fe, NM 87501

The communication shall be deemed to have been given/received upon the date of Mr. Spilman's actual receipt, as reflected on the return receipt, or five (5) business days after Recipient deposits the communication in a postage prepaid envelope in an official U.S. Postal Service mail box or other official receptacle, whichever is earlier.

8. Cumulative Confidentiality Obligations. Recipient's obligations under this Agreement are in addition to all other contractual, ethical, or legal obligations it has concerning the confidentiality of the Client Agency's information, none of which are affected by this Agreement.

9. Disclosure of this Agreement to Recipient's Employees. Prior to disclosing Confidential Information or the special SHARE password to its employees as allowed by this Agreement, Recipient shall provide its employees with a copy of this Agreement and obtain their agreement to be bound by its terms; provided, however, that Recipient's failure to obtain such agreement shall not affect the enforceability of this Agreement against such employees.

WHEREFORE, the parties have duly executed this Agreement.

Recipient (IPA):

Signature: _____

By (Print Name): [Insert Name]

Its (Print Title): [Insert Title]

Date: [Insert Current Date]