

**NEW MEXICO ENVIRONMENT DEPARTMENT**

**REQUEST FOR PROPOSALS (RFP)**

**Audit Services  
RFP # 19 667 1800 0003**



**Opening of Request for Proposals**

March 28, 2019

**Award of Audit Contract**

May 23, 2019

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# I. INTRODUCTION

## A. PURPOSE OF THIS REQUEST FOR PROPOSALS

1. The purpose of this Request for Proposals (RFP) is to acquire a contractor to assist in the preparation and audit of NMED's financial statements and to perform a Federal Single Audit of NMED's federal funds for the fiscal year ending **June 30, 2019**, in accordance with generally accepted auditing standards and rules issued by the New Mexico Office of the State Auditor, specifically the 2.2.2 NMAC Audit Rule [Requirements for Contracting and Conducting Audits of Agencies].
2. The contractor will perform a special Federal Single Audit of NMED's Clean Water State Revolving Fund (CWSRF-Fund 12100) and the Clean Water Administrative Fund (CWAFF-Fund 32700) for the fiscal year ending **June 30, 2019** pursuant to the Office of Management and Budget Circular (Uniform Grant Guidance) [Audits of States, Local Government, and Non-Profit Organizations] and the United States Environmental Protection Agency (EPA) requirements, which is NMED's federal oversight agency for audit purposes.
3. The contractor will provide a multi-year proposal to provide audit services, not to exceed a term of **three (3) years** including all extensions and renewals. The successful Independent Public Accountant (IPA) will be awarded a multi-year contract with an initial one-year (**FY19**) contract, with the option to extend for two successive one-year terms (**FY20 & FY21**) at the same price, terms and conditions as stated on the original proposal.

Respondents are required to provide a brief summary of their audit approach and include a preliminary plan (i.e., a schedule) that outlines the list of items and deliverables for the proposal. The approach and preliminary plan should focus on the completion of NMED's FY19 audit on or before the **November 1, 2019** deadline.

NMED reserves the option to renew the initial one-year contract for two additional fiscal years pursuant to NMSA 1978, Section 13-1-150 and 2.2.2 NMAC. Exercising the option to extend must be by mutual agreement of the parties to the contract and with the approval of the State Auditor. In the event that either of the parties to the contract elects not to extend, or the State Auditor disapproves the recommendation for renewal, NMED shall solicit competitive sealed proposals and contract for audit services in accordance with the Procurement Code, NMSA 1978, §§ 13-1-1 to -199; Department of Finance and Administration (DFA) Rule 2.40.2 NMAC, *Governing the Approval of Contracts for the Purchase of Professional Services*; and 2.2.2 NMAC, Audit Rule.

The State Audit Rule is posted at [www.saonm.org](http://www.saonm.org); the DFA Rule is posted at [http://www.nmdfa.state.nm.us/Contracts\\_Review\\_Bureau.aspx](http://www.nmdfa.state.nm.us/Contracts_Review_Bureau.aspx); and the Procurement Code is posted at: <http://www.nmcompcomm.us/>

## **B. BACKGROUND INFORMATION**

NMED is required under the State Auditor Rule, 2.2.2 NMAC, to request proposals for audit services. The scope of work shall consist of preparing and auditing NMED's GAAP financial statements for the fiscal year ending **June 30, 2019**, as stated in the requirements found in 2.2.2 NMAC.

1. NMED's Mission Statement: To protect and restore the environment, and to foster a healthy and prosperous New Mexico for present and future generations.
2. NMED's goals and objectives:
  - Providing clear articulation of our goals, standards, and expectations in a professional manner so that employees and the public may make informed decisions and be actively involved in setting priorities;
  - Promoting environmental awareness through the practice of open and direct communication and sound decision-making by carrying out the mandates and initiatives of the department in a fair and consistent manner.
3. NMED was established under the provisions set forth in the Department of the Environment Act, NMSA 1978, Sections 9-7A-1 to -14. The New Mexico Environment Department's main office is located at 1190 St. Francis Drive, Santa Fe, NM.
4. GASB 34: NMED implemented the provisions of Governmental Accounting Standards Board Statement No. 34 (GASB 34), effective July 1, 1999. Financial Statements issued for all fiscal years covered by this contract must be issued in compliance with GASB 34
5. GASB 49: NMED implemented the provisions of Governmental Accounting Standards Board Statement No. 49 (GASB 49), which became effective calendar year 2009. As a part of GASB 49, there is an EPA reporting requirement regarding the pollution remediation obligations, and the statement provides guidance in estimating and reporting the potential costs of pollution remediation. While GASB 49 does not require NMED to search for pollution, it does require NMED to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:
  - Pollution poses an imminent danger to the public and NMED is compelled to take action;
  - NMED is found in violation of a pollution related permit or license;
  - NMED is named, or has evidence that it will be named as a responsible party by a regulator;
  - NMED is named, or has evidence that it will be named in a lawsuit to enforce a cleanup; or
  - NMED commences or legally obligates itself to conduct remediation activities.

Financial Statements issued for all fiscal years covered by this contract must be issued in compliance with GASB 49.

6. Fund Structure:

NMED maintains a general fund, fiduciary funds, special revenue funds, enterprise funds and a capital projects fund.

7. Budgetary Basis of Accounting:

In accordance with the budget guidelines established for all state agencies by the Department of Finance and Administration, NMED does prepare its budget on a basis consistent with generally accepted accounting principles. NMED's budget is appropriated to its programs and is administered through the use of expenditures and encumbrances.

### C. SCOPE OF PROCUREMENT

The scope of work shall consist of tasks associated with the thorough examination of the financial affairs of NMED by independent auditors approved by the Office of the State Auditor.

1. Elements to be included:

- A. Financial Statement Audit;
- B. Federal Single Audit of all funds;
- C. Financial statement preparation; and
- D. Other provisions defined in the Department's Clean Water State Revolving Loan Fund (funds 12100 and 32700) [see item #2 below].

2. An audit of the NMED's Clean Water State Revolving Loan Fund (CWSRF) and Clean Water Administrative Fund (CWAFF) shall be performed in accordance with 40 C.F.R. § 35.3165 and in accordance with generally accepted government auditing standards that are usually defined, but not limited to those contained in the United States General Accounting Office publication "Government Auditing Standards" as revised. The draft audit report must be submitted to the EPA Office of the Inspector General within 30 days of its completion. Draft audits are requested by the EPA no later than **September 30, 2019** to be submitted as part of the CWSRF Annual Report. The financial affairs of the CWSRF and the CWAFF shall be thoroughly examined and audited as follows:

- A. Conduct a financial audit of the funds' records maintained at NMED;
- B. Review and recommend internal controls;
- C. Review financial and compliance requirements of all CWSRF federal capitalization grants;
- D. Conduct financial and compliance review of the CWSRF state funds;
- E. All reviews shall be in compliance with **40CFR 35.3165 (d) (1), (2), (3) and (4)** and any amendments per EPA Federal Regulations;
- F. With assistance from the NMED Construction Programs Bureau financial staff, prepare the CWSRF and CWAFF year-end financial statements and include recommendations and financial formats adjustment requested by the EPA Financial Manager;

G. Review CWSRF loan disbursements, principle repayments, interest, investment interest and construction interest accruals;

Provide NMED with written recommendations for improvements necessary to comply with federal and state requirements and in compliance with generally accepted accounting principles;3.

Additional Requirements

- A. Conduct weekly meetings to provide status on NMED and CWSRF audits. Additional status reviews as requested and a final exit conference prior to report issuance; and
- B. Provide a copy of the draft audit to NMED for review no later than two weeks prior to the issuance of the final audit report. NMED and CWSRF audits to be submitted no later than three (3) days prior to OSA audit deadline.

The initial contract shall not become effective until approved by the Department of Finance and Administration and the State Auditor.

PLEASE NOTE:

- If this is a procurement that will result in a statewide price agreement, that agreement is available to all executive agencies and other political subdivisions of the State of New Mexico. If this is not EXPLICITLY stated, the procurement will result in a contractual agreement only.
- If this is a procurement that will result in a contractual agreement between two parties, the procurement may ONLY be used by those two parties exclusively.

**D. PROCUREMENT MANAGER**

1. NMED 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: **Joseph Lovato, Procurement Manager**  
Address: **New Mexico Environment Department  
Harold Runnels Building, Room S4051  
1190 St. Francis Drive  
Santa Fe, NM 87505**

Telephone: **(505) 476-3718**  
Email: **JosephM.Lovato@state.nm.us**

2. **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 SPD. **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 New Mexico Environment Department.

“Award” means the final execution of the contract document and all required signatures have been obtained.

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

“CFO” means Chief Financial Officer of the New Mexico Environment Department.

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

“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.

“Department”: For purposes of administering the RFP and associated proposals, “Department” means the New Mexico Environment Department.

“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 (as opposed to “mandatory”).

“DFA” means Department of Finance and Administration for the State of New Mexico.

“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.

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

“Minor Technical Irregularities” 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.

“OSA” means Office of the State Auditor of New Mexico.

“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.

“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/hers 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.

“Secretary” means the Cabinet Secretary of the New Mexico Environment 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 the New Mexico Environment Department.

**Abbreviations include the following:**

(ASD) NMED - Administrative Services Division

(ASD-FSB) Administrative Services Division - Financial Services Bureau

(ASD-PAP) Administrative Services Division - Purchasing and Accounts Payable Unit  
 (CWSRF) Clean Water State Revolving Loan Fund  
 (CWAF) Clean Water Administrative Fund  
 (DFA) New Mexico Department of Finance and Administration  
 (EPA) United States Environmental Protection Agency  
 (GASB 34) Governmental Accounting Standards Board Statement No. 34  
 (GASB 49) Governmental Accounting Standards Board Statement No. 49  
 (MT) Mountain Time  
 (NMAC) New Mexico Administrative Code  
 (NMED) New Mexico Environment Department  
 (OSA) Office of the State Auditor of New Mexico  
 (RFP) Request for Proposal

**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:

<https://www.env.nm.gov/requests-for-proposals/>

**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:

1. Issue RFP	NMED	March 28, 2019
2. Distribution List	NMED	April 4, 2019
3. Deadline to submit Questions	Potential Offerors	April 5, 2019
4. Response to Written Questions	Procurement Manager	April 10, 2019
<b>5. Submission of Proposal</b>	<b>Potential Offerors</b>	<b>April 15, 2019</b>
6. Reference Questionnaire	Potential Offerors	April 18, 2019
7.. Proposal Evaluation	Evaluation Committee	<b>April 23-26, 2019</b>

8. Submission of Recommended Selection to DFA	NMED	April 30, 2019
9. DFA Approval	DFA	May 6, 2019
10. Submission of Recommended IPA Selection to OSA	NMED	May 7-9, 2019
11. OSA Approval	OSA	May 16, 2019
12. Finalize Contractual Agreements	NMED /Finalist Offerors	May 21, 2019
13. Contract Awards	NMED/ Finalist Offerors	May 23, 2019
14. Protest Deadline	Offerors	June 7, 2019

## **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 by NMED on **March 28, 2019**.

### **2. Distribution List**

Potential Offerors should hand deliver, return by 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 MDT on **April 4, 2019**.

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. 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 **April 5, 2019, by 3:00 PM MDT** 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.

#### **4. 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:

<https://www.env.nm.gov/requests-for-proposals/>

#### **5. 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 MDT ON **April 15, 2019**. 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# 19 667 1800 0003**.

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.

#### **6. Reference Questionnaire**

Offeror's must submit three (3) external State of New Mexico Department references from clients who have received similar services to those proposed by the Offeror. See Appendix G. Response from Reference Questionnaires should be received by the Agency by **April**

**18, 2019.** It is the responsibility of the Offeror's to identify and send out the Reference Questionnaires with enough time for a timely response by the deadline.

## **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. Submission of Recommended IPA Selection to DFA**

In accordance with Executive Order 2012-004 Executive Agencies must submit their recommendation of the IPA selected for the audit services contract prior to providing such recommendation to the Office of the State Auditor. NMED is an Executive Agency.

## **9. DFA Approval**

This is the expected approval date by the Department of Finance & Administration for the recommended IPA to perform audit services as listed in this RFP.

## **10. Submission of Recommended IPA Selection to OSA**

NMED will submit the selected IPA to the Office of the State Auditor for approval as soon as Evaluation Committee determines a finalist.

## **11. OSA Approval**

This is the expected approval date by the Office of the State Auditor for the recommended IPA to perform audit services as listed in this RFP. NMED will address concerns, if any, with the Office of State Auditor for approval of IPA.

## **12. 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 NMED. 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.

### **13. 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 NMED.

The contract shall be awarded to the Offeror (or Offerors) whose proposals are most advantageous to the State of New Mexico and NMED, 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.

### **14. 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 contracts and will end at 5:00 pm MDT on the 15<sup>th</sup> 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:

**Joseph M. Lovato**  
**Protest Manager**  
**NM Environment Department/ASD-Financial Services Bureau**  
**1190 St. Francis Drive, Suite S-4051 Santa Fe, NM 87505**  
[JosephM.Lovato@state.nm.us](mailto:JosephM.Lovato@state.nm.us)  
**(505) 476-3718- telephone**

**Mailing Address:**  
**New Mexico Environment Department**  
**Administrative Services Division**  
**P.O. Box 5469**  
**Santa Fe, NM 87502-5469**

**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. 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 NMED which may derive from this RFP. NMED will make payments to only the prime contractor.

### **3. 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.

### **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 NMED 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. NMED 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 affected 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. 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:

[http://www.generalservices.state.nm.us/statepurchasing/ITBs\\_RFPs\\_and\\_Bid\\_Tabulation.aspx](http://www.generalservices.state.nm.us/statepurchasing/ITBs_RFPs_and_Bid_Tabulation.aspx).

## **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  
<http://www.insurenemexico.state.nm.us/>.
- 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. Pay Equity Reporting Requirements**

- A. If the Offeror has ten (10) or more employees OR eight (8) or more employees in the same job classification, Offeror must complete and submit the required reporting form (PE10-249) if they are awarded a contract. Out-of-state Contractors that have no facilities and no employees working in New Mexico are exempt if the contract is directly with the out-of-state contractor and fulfilled directly by the out-of-state contractor, and not passed through a local vendor.
- B. For contracts that extend beyond one (1) calendar year, or are extended beyond one (1) calendar year, Offeror must also agree to complete and submit the required form annually within thirty (30) calendar days of the annual bid or proposal submittal anniversary date and, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract.
- C. Should Offeror not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, Offeror must agree to provide the required report within ninety (90) calendar days of meeting or exceeding the size requirement.
- D. Offeror must also agree to levy these reporting requirements on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the

contract. Offeror must further agree that, should one or more subcontractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, offer will submit the required report, for each such subcontractor, within ninety (90) calendar days of that subcontractor meeting or exceeding the size requirement.

### **32. 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.

### **33. 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**

#### **B. New Mexico Resident Veterans Business Preference**

In addition to a copy of the certification, the Offeror should sign and complete the Resident Veterans Preference Certificate form, as provided in this RFP.



**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.**

### **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, Four (4) HARD COPIES, of the proposal containing ONLY the Technical Proposal; and COPY shall be in separate labeled binders.
  - 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, Four (4) 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.

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

#### **OR IN THE ALTERNATIVE TO THE SUBMISSION FORMAT AND REQUIREMENTS OF SECTION III.B.1:**

## 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.

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
- B. Table of Contents
- C. Proposal Summary
- D. Response to Mandatory Specifications (**except cost information which shall be included in Cost Proposal/Binder 2 only**)
- E. Signed Campaign Contribution Form
- F. Response to Agency Terms and Conditions
- G. Offeror Signed Employee Health Coverage Form
- H. Signed Affidavit pursuant to Governmental Conduct Act (If applicable)
- I. Resident Vendor or Resident Veteran Certificate (If applicable)
- J. Resident Veterans Preference Certification (If applicable)
- K. Other Supporting Material (Optional)

#### **Cost Proposal (Binder 2):**

- A. Completed Cost Response Form

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. GENERAL INFORMATION

#### 1. NMED Resources available to the Contractor

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

- Office Space;
- Desk, Telephone;
- Computer Internet connection;
- Access to SHARE at the appropriate level;
- Access will be available to copiers and facsimile machines.

#### 2. Work Site

For the purpose of preparing this proposal, Offeror's are to assume that all on-site work will be performed at the location identified below. However, there may be a need to also visit the Divisions of NMED to review files or operations.

New Mexico Environment Department  
Administrative Services Division  
Harold Runnels Building  
1190 St. Francis Drive, Suite S-4300  
Santa Fe, NM 87505

#### 3. Detailed Scope of Work

Deliverables that the Independent Public Accountant (IPA) is responsible for providing may include, but not limited to:

- a. Engagement Letter and Provided by Client Listing (PBC) – to be provided to the Department within ten days after the audit entrance conference;
- b. Financial Statements - Clean Water State Revolving Fund – draft copy to be completed and submitted to NMED Management for review by **September 13, 2019**. Final draft must be submitted to NMED no later than **September 27, 2019**;

- c. Financial Statements - NMED – draft copy to be completed and submitted to NMED Management for review by **October 16, 2019** or at least two (2) weeks prior to OSA’s audit deadline;
- d. Final Audit Report – NMED – to be submitted to the Office of the State Auditor three (3) days prior to OSA’s audit deadline submission - including Independent Auditors Report; Management’s Discussion and Analysis; Financial Statements; Financial Statement Footnotes; Supplemental Schedules; Schedule of Expenditures of Federal Awards; Audit Findings; Status of Prior Audit Findings; and all materials required by Federal and State audit oversight entities;
- e. IPA to conduct Audit Progress Meetings, at least weekly, with NMED’s financial management staff;
- f. IPA to provide the State of New Mexico’s Department of Finance and Administration (DFA) any information required, including Audit Plan and an Audit Schedule with Milestones that meets the criteria established by DFA;
- g. Provide other audit related procedures and information as requested and/or required by NMED’s Management or Federal oversight agencies; Office of State Auditor; State Treasurers’ Office; Department of Finance and Administration and Legislative Finance Committee;
- h. IPA to present the Audit Report at the exit conference;
- i. IPA will prepare the federally-required “Data Collection Form” and provide knowledge to the CFO of its completeness and pre-submission on the federal web site, no later than 30-days after release of the Audit Report by the Office of the State Auditor, for NMED’s electronic submission to the Federal Audit Clearinghouse.

## **B. BUSINESS SPECIFICATIONS**

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

**Failure to respond to Mandatory Specifications will result in the disqualification of the proposal as non-responsive.**

### **1. Mandatory Specifications**

Award of the contract shall be made to the IPA whose proposal is most advantageous to NMED. Award will be based on the evaluation criteria listed below as set forth by the State Auditor's Office. Please note, that regardless of the overall score, a serious deficiency in any one criterion may be grounds for rejection.

1. Capability of the IPA Firm, to include:

- a. whether the IPA has the resources to perform the type and size of the audit required;
- b. the results of the IPA's most recent external quality control review (peer review); and
- c. the organization and completeness of the IPA's proposal or bid for audit services.

2. IPA work requirements and audit approach, to include:

- a. the IPA's knowledge of the agency's need and the product to be delivered;
- b. whether the IPA's proposal or bid contains a sound technical plan and realistic estimate of time to complete the audit;
- c. plans for using agency staff; and
- d. if the proposal or bid is for a multi-year contract, the IPA's approach for planning and conducting the work efforts of subsequent years.

3. Technical Experience of the IPA, to include:

- a. the governmental audit experience of the IPA and the specialization in the agency's type of government (e.g., state agencies, schools, hospitals, counties, cities, etc.), including component units (housing authorities, charter schools, foundations);
- b. the IPA's audit experience and specialization in GASB 49 – Accounting and Financial Reporting for Pollution Remediation Obligations. List actual experience related to this GASB statement; and
- c. the IPA's attendance at continuing professional education seminars or meetings on auditing, accounting and regulations directly related to state and local government audits and the agency.

4. References (Mandatory)

Proposals must include three (3) external client references from clients (see Appendix G) who have received similar services, preferably other New Mexico State Agencies. In addition, three (3) references must be submitted for each proposed subcontractor. The minimum information that must be provided about each reference is:

NM Department Name  
Reference/Contact Name  
Address

Contact Telephone number  
Date(s) services/products were provided

**Note: The Offeror is responsible for verifying reference contact information. The Evaluation Committee is not obligated to try to locate persons not found at the numbers or places given in the proposal. Obsolete or wrong Contact Information could result in a zero score in this category.**

5. Cost:

Offerors must propose one firm fixed cost for staff personal proposed to provide services under this contract. The total expenditures must include all associated costs and overhead costs for contractor personnel. New Mexico gross receipts taxes are excluded from the proposed maximum cost and shall be shown separately on the invoice.

## 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.

Table 1: Evaluation Point Summary

<b>Business Specifications</b>	<b>Factors – correspond to section IV.B and IV C</b>	<b>Points Available</b>
<b>B. 1.</b>	<b>Capability of IPA Firm (200 points max)</b>	
A.	Resource of IPA to perform audit	50
B.	Results of most recent external quality review	50
C.	Organization and completeness of proposal	100
<b>B. 2.</b>	<b>IPA Work Requirements &amp; Audit Approach (425 points max)</b>	
A.	IPA’s knowledge of agency’s need and product	175
B.	Soundness of technical plan and estimates for completion	150
C.	Plans for using agency staff	50
D.	Plan(s) for subsequent years’ approach and work effort	50
<b>B. 3.</b>	<b>Technical Expertise (275 points max)</b>	
A.	Governmental audit experience and specialization	175
B.	Continuing professional education	50
C.	References	50
<b>B. 4</b>	<b>Cost</b>	<b>100</b>

<b>B. 5</b>	<b>Letter of Transmittal</b>	<b>Pass/Fail</b>
<b>B. 6</b>	<b>Signed Campaign Contribution Form.</b>	Pass/Fail
<b>B. 7</b>	<b>Employee Health Coverage Form</b>	Pass/Fail
<b>B. 8</b>	<b>Pay Equity Reporting</b>	Pass/Fail
<b>B. 9</b>	<b>Signed Affidavit pursuant to Governmental Conduct</b>	Pass/Fail
	<b>TOTAL</b>	<b>1,000 points</b>
<b>B.10.</b>	New Mexico Preference - Resident Vendor Points per Section IV C. 6	
<b>B.10.</b>	New Mexico Preference - Resident Veterans Points per Section IV C.6	

## **B. EVALUATION FACTORS**

### **B.1 Capability of IPA Firm**

Offerors should state the size of the firm, size of governmental audit staff, location of the office from which the work on this engagement is to be performed, number and nature of the professional staff to be assigned in this engagement on a full-time basis, and the number and nature of the staff to be assigned on a part-time basis.

Offerors are also required to submit a copy of the report of its most recent external quality control review (peer review) and a statement whether that quality control review included a review of specific governmental engagement. Provide the results of any Federal or State of New Mexico desk reviews, or field reviews of its audits during the past three (3) years and disclose any circumstances and status of disciplinary action taken or pending with state regulatory bodies or professional organizations.

Offeror's should also provide a copy of the profile submitted to the Office of the State Auditor, in accordance with 2.2.2 NMAC, a list of subcontractors, including qualification and area(s) of responsibility, and a completed Campaign Contribution Disclosure Form.

### **B.2 IPA Work Requirements and Audit Approach**

Offerors should provide a work plan that references sources of information such as the NMED's budget and related materials, organizational charts, manuals and programs, financial and other management information systems. Offerors should identify and describe any anticipated potential audit issues.

The work plan should include milestones covering audit timing and an explanation of the methods and technologies that will be used to perform the services required. The work plan should address audit issue resolution approaches, and any assistance that will



be requested from NMED in order to meet the audit submission deadline and preclude the necessity for scope expansion and/or contract amendments.

Offerors should provide plans for the use of NMED staff, including internal auditors.

Offerors should provide a plan for the approach of conductance of subsequent year's audit(s).

### **B.3 IPA Technical Experience**

Offeror should include the name of the principal member officer of the Offeror who will be responsible for the administration of the contract and an organizational chart indicating the names of all persons to be assigned to the project, their areas of expertise and the percent of time they will be assigned to the project. Describe the experience of the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Specify relevant experience, role and specialization in the conduct of audits of governments (i.e. state agencies and local government). Indicate experience with the New Mexico Statewide Human Resources Accounting and Reporting system (SHARE).

Provide information on relevant, individual Continuing Professional Education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement.

Provide the References information as required in Section IV. B (A) 4.

### **B.4 Cost**

The total proposed cost for performing the audit must be itemized for each of the three (3) possible contract years, using the criteria below (See Appendix D).

The Offeror shall propose, by designated category, an hourly composite rate and estimate of hours to complete each category, including all out-of-pocket, audit related expenses, such as travel, per diem and applicable overhead.

The formula that will be utilized for the calculation of points for this item will be: The lowest cost proposal (from all proposals received) divided by the cost of the Offeror's proposal submitted; the quotient derived from this calculation is then multiplied by 100 (maximum total points given) and produces the final point total.

$$\frac{\text{Lowest Proposal Cost}}{\text{-----}} \times 100 = \text{Awarded Points}$$

## **Offeror's Total Cost**

### **B.5 Letter of Transmittal (See Table 1)**

Pass/Fail only. No points assigned.

### **B.6 Campaign Contribution Disclosure Form (See Table 1)**

Pass/Fail only. No points assigned.

### **B.7 Employee Health Coverage Form**

Pass/Fail only. No points assigned.

### **B.8 Pay Equity Reporting**

Pass/Fail only. No points assigned.

### **B.9 Signed Affidavit pursuant to Governmental Conduct Form**

Pass/Fail only No points assigned

### **B.10 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 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 their Preference Certificate the Preference Points for a New Mexico Resident Veterans Business 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  
19 667 1800 0003

### 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 G.

The acknowledgement of receipt should be signed and returned to the Procurement Manager no later than 3:00pm MDT, April 4, 2019. 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.

Joseph Lovato, Procurement Manager  
Audit Services RFP19 667 1800 0003  
New Mexico Environment Department  
Harold Runnels Building, Room S4051  
1190 St. Francis Drive  
Santa Fe, NM 87505  
E-mail: JosephM.Lovato@state.nm.us

**APPENDIX B**

**CAMPAIGN CONTRIBUTION DISCLOSURE FORM**

## CAMPAIGN CONTRIBUTION DISCLOSURE FORM

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

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

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

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

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

The following definitions apply:

**“Applicable public official”** means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive “sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

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

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

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

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

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

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

**DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:**

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

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

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

\_\_\_\_\_

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

\_\_\_\_\_

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

\_\_\_\_\_



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

(Attach extra pages if necessary)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

**--OR--**

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

“



**APPENDIX C**  
**SAMPLE CONTRACT**

Contract No.

**STATE OF NEW MEXICO**  
**AUDIT CONTRACT**  
**(State Agencies with DFA Approval)**

New Mexico Environment Department

---

hereinafter referred to as the "Agency," and

[FILLABLE]

---

hereinafter referred to as the "Contractor," agree:

**As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.**

**1. SCOPE OF WORK** (Include in Paragraph 26 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2019 in accordance with the requirements of the Audit Rule, NMAC Section 2.2.2.1 et seq.
- B. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act and the Audit Rule.

**2. DELIVERY AND REPRODUCTION**

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor no later than **sixty days** after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than the deadline set forth for the Agency in NMAC Section 2.2.2.9:

- (1) an organized, bound and paginated hard copy of the Agency's audit report for review;
  - (2) a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C 580; and
  - (3) a copy of the completed State Auditor Report Review Guide available at [www.osanm.org](http://www.osanm.org);
- B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond the deadline set forth for the Agency in NMAC Section 2.2.2.9**. This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.
- C. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.
- E. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- F. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, and Fund Balances. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver [FILLABLE] copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- G. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed data collection form and the reporting package

described in § 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor’s report, or nine months after the end of the audit period.

**3. COMPENSATION**

- A. The total amount payable by the Agency to the Contractor under this Contract, excluding New Mexico gross receipts tax, shall not exceed [FILLABLE] plus applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

<b>SERVICES</b>	<b>AMOUNTS</b>
(1) Financial statement audit	[FILLABLE]
(2) Federal single audit	[FILLABLE]
(3) Financial statement preparation	[FILLABLE]
(4) Other non-audit services, such as depreciation schedule updates	[FILLABLE]
(5) Other (i.e., foundations or other component units, specifically identified)	[FILLABLE]

Total Compensation = [FILLABLE]  
plus applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is

made by the State Auditor in the release letter that the audit has been made in accordance with the provisions of this Contract and applicable rules of the State Auditor.

**4. TERM.**

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR AND THE NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the date on which it is signed by the Department of Finance and Administration.

**5. TERMINATION, BREACH AND REMEDIES**

A. This Contract may be terminated:

- (1) By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
- (2) By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with this Contract shall constitute a material breach of this Contract.
- (3) By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
- (4) By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

**6. STATUS OF CONTRACTOR**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

**7. ASSIGNMENT**

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

**8. SUBCONTRACTING**

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

**9. RECORDS**

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

**10. RELEASE**

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

**11. CONFIDENTIALITY**

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

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

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

**13. CONFLICT OF INTEREST**

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

**14. INDEPENDENCE**

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

**15. AMENDMENT**

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

**16. MERGER**



This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

**17. APPLICABLE LAW**

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

**18. AGENCY BOOKS AND RECORDS**

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

**19. APPROPRIATIONS**

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

**20. PENALTIES FOR VIOLATION OF LAW**

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

**21. EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

**22. WORKING PAPERS**

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor shall follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

**23. DESIGNATED ON-SITE STAFF**

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

**24. INVALID TERM OR CONDITION**

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

**25. EMPLOYEE PAY EQUITY REPORTING**

- A. If it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification at any time during the term of this Contract, the Contractor shall complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If the Contractor has (250) or more employees the Contractor shall complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. For contracts that are extended beyond one (1) calendar year, the Contractor shall also complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty

(30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. If the Contractor does not meet the size requirement for reporting a contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall provide the required report within ninety (90) days of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter. The Contractor shall also impose this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. If one or more subcontractor does not meet the size requirement for reporting a contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall submit the required report for each such subcontractor, within ninety (90) days of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. The Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. The Contractor acknowledges that this subcontractor requirement applies even though Contractor itself may not meet the size requirement for reporting and be required to report itself.

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

**26. OTHER PROVISIONS**

[FILLABLE]

**SIGNATURE PAGE**

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

**AGENCY**

**CONTRACTOR**

[FILLABLE]

[FILLABLE]

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

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

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

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

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

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

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

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

This Contract has been approved by:

**DEPT. OF FINANCE &  
ADMINISTRATION**  
**CONTRACTS REVIEW  
BUREAU**

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

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

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

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

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

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

State Auditor Contract No.

## APPENDIX D

### COST RESPONSE FORM COST RESPONSE FORM

#### Cost per Year

	<b>Task</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>
1	Financial Statement Audit	\$	\$	\$
2	Federal Single Audit	\$	\$	\$
3	Financial Statement Preparation	\$	\$	\$
4	Component Units- Federal Single Audits	\$	\$	\$
5	Other: Clean Water State Revolving Fund Audit	\$	\$	\$
	<b>SUBTOTAL</b>	\$	\$	\$
	<b>Gross Receipts Tax</b>	\$	\$	\$
	<b>Total Compensation</b>	\$	\$	\$

**Offeror Name** \_\_\_\_\_

**Offeror Signature** \_\_\_\_\_

**Date** \_\_\_\_\_

(includes all labor, materials, equipment, transportation, fees and taxes to provide the Services described in Section I, para C, (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#: 19 667 1800 0003** \_\_\_\_\_

**Offeror Name:** \_\_\_\_\_ **FED ID#** \_\_\_\_\_

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.

\_\_\_\_\_, 2014

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:

**Joseph Lovato, Procurement Manager**  
**New Mexico Environment Department**  
**Harold Runnels Building, Room S4051**  
**1190 St. Francis Drive**  
**Santa Fe, NM 87505**

by April 18, 2019 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 # 19 667 1800 0003**  
**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, New Mexico Environment Department via facsimile or e-mail at:

Name: Joseph Lovato, Procurement Manager  
Address: **New Mexico Environment Department**  
**Harold Runnels Building, Room S4051**  
**1190 St. Francis Drive**  
**Santa Fe, NM 87505**

Telephone: 505-476-3718

Email: [JosephM.Lovato@state.nm.us](mailto:JosephM.Lovato@state.nm.us)

no later than April 18, 2019 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.

<b>Company providing reference:</b>	
<b>Contact name and title/position</b>	
<b>Contact telephone number</b>	
<b>Contact e-mail address</b>	
<b>Project description;</b>	
<b>Project dates (starting and ending);</b>	
<b>Technical environment for the project your providing a reference (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);</b>	

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**

**OFFEROR SIGNED EMPLOYEE HEALTH COVERAGE FORM**

## **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  
<http://www.insurenemexico.state.nm.us/>.

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.

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

Date\_\_\_\_\_

## APPENDIX H

### **RESIDENT VETERANS CERTIFICATION New Mexico Preference Resident Veterans Certification**

**Reminder, a copy of Resident Veterans Preference Certificate must be submitted with the proposal in order to ensure adequate consideration and application of NMSA 1978, § 13-1-21 (as amended).**

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

**Please check one box only**

I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$3M allowing me the 5% preference of the total possible points to a resident business on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$3M allowing me the 10% preference of the total possible points to a resident veteran business on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

“I agree to submit a report, or reports, to NMED declaring under penalty of perjury that during the last calendar year starting January 1 and ending on December 31, the following to be true and accurate:

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

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

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

\_\_\_\_\_  
(Signature of Business Representative)\*      (Date)

\*Must be an authorized signatory for the Business. The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or termination of award of the procurement involved if the statements are proven to be incorrect.

**APPENDIX I**

**GOVERNMENTAL CONDUCT ACT AFFIDAVIT**



**GOVERNMENTAL CONDUCT ACT AFFIDAVIT**

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF SANTA FE )

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

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

FURTHER, AFFIANT SAYETH NOT.

\_\_\_\_\_  
name

Subscribed and sworn to before me by \_\_\_\_\_ (name of former employee) this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires

\_\_\_\_\_