



NOTICE OF REQUEST FOR PROPOSALS

RFP NO. 2017-001

Proposal Due Date/Time: **January 26, 2018 at 3:00PM Arizona Time**

District Address: **Pima County School Superintendent's Office
200 N Stone Ave, Tucson, AZ 85701**

Opened on: **January 29, 2018 at 10:00AM Arizona Time**

Pre-Bid Conference: **No Pre-Bid Conference will be conducted for this RFP**

Material/Service Requested: **Annual financial audit of transactions and accounts for the years ending June 30, 2018 and four (4) additional fiscal years (a total of five fiscal years) of the School Reserve Fund.**

In accordance with the School District Procurement Rules prescribed by the Arizona State Board of Education, competitive sealed proposals for the following services will be received by the Pima County School Superintendent's Office at the address specified above until the time and date cited.

The Superintendent will not be responsible for pre-opening of, post-opening of, or failure to open a proposal not properly addressed or identified. **Proposals must be in the actual possession of the Superintendent on or before the date and time (based on the official Superintendent's time clock) and at the location above. Later offerors will not be considered. Faxed or electronic submissions of proposals are not accepted.**

Proposals must be submitted in a sealed envelope with the Request for Proposal Number and the Offeror's name and address clearly indicated on the outside of the packaging/envelope. All proposals must be typewritten; handwritten proposals are not accepted. Additional instructions for preparing the Proposals are provided herein.

Questions regarding this RFP may be referred to: **Ricky Hernández, CFO**
(520) 724-8451
ricky.hernandez@schools.pima.gov

Ricardo Hernández, CFO

November 29, 2017

Date

INSTRUCTIONS TO OFFERORS

1. Inquiries

- A. Duty to Examine. It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing, and check its Offer for accuracy before submitting the Offer. Lack of care in preparing an Offer shall not be grounds for withdrawing the Offer after the Offer due date and time nor shall it give rise to any Contract claim.
- B. Solicitation Contact Person. Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquiries concerning this Solicitation to any other employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.
- C. Submission of Inquiries. The Chief Financial Officer or the person identified in the Solicitation as the contact for inquiries may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page, and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry since it may then be identified as an Offer and not be opened until after the Offer due date and time.
- D. Timeliness. Any inquiry shall be submitted as soon as possible and no later than five (5) business days before the Offer due date and time. Failure to do so may result in the inquiry not being answered.
- E. No Right to Rely on Verbal Responses. Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment or Addendum. An Offeror may not rely on verbal responses to its inquiries.
- F. Solicitation Amendments/Addenda. The Solicitation shall only be modified by a Solicitation Amendment or Addendum, which shall be posted online.
- G. Pre-Offer Conference. If a Pre-Offer conference has been scheduled under this Solicitation, the date, time, and location appear on the Solicitation cover sheet or elsewhere in the Solicitation. An Offeror should raise any questions it may have about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment or Addendum.
- H. Persons with Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

2. Offer Preparation

- A. Forms: No Facsimile, Telegraphic, or Electronic Offers. An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same

information requested on the form. A facsimile, telegraphic, mailgram or electronic offer shall be rejected.

- B. Typed; Corrections. The Offer must be typed. Erasures, interlineations or other modifications in the Offer must be initialed in ink by the person signing the Offer. Modifications shall not be permitted after Offers have been opened except as otherwise provided under applicable law.
- C. Evidence of Intent to be Bound. The Offer and Acceptance form within the Solicitation must be submitted with the Offer and must include a signature by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate, and complete. Failure to submit verifiable evidence of intent to be bound, such as an original signature, may result in rejection of the Offer.
- D. Exceptions to Terms and Conditions. All exceptions included with the Offer shall be submitted in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Chief Financial Officer in a written statement. The Offeror's preprinted or standard terms will not be considered as a part of any resulting Contract.
 - 1. Invitation for Bids: An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, may be rejected.
 - 2. Request for Proposals: All exceptions that are contained in the Offer may negatively affect the proposal evaluation based on the evaluation criteria as stated in the Solicitation or result in rejection of the Offer.
- E. Subcontracts. Offeror shall clearly list any proposed sub-contractors and the sub-contractor's proposed responsibilities in the Offer.
- F. Cost of Offer Preparation. The Superintendent will not reimburse any Offeror the cost of responding to a Solicitation.
- G. Solicitation Amendments/Addenda. Unless otherwise stated in the Solicitation, each Solicitation Amendment or Addendum shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed copy of a material Solicitation Amendment or Addendum or to follow the instructions for acknowledgement of the Solicitation Amendment/Addendum may result in rejection of the Offer.
- H. Federal Excise Tax. School Districts/public entities are exempt from Federal Excise Tax on manufactured goods. Exemption Certificates will be prepared upon request.
- I. Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax number and/or Federal Tax Identification number, if applicable, in the space provided on the Offer and Acceptance Form.
- J. Identification of Taxes in Offer. School Districts/public entities are subject to all applicable state and local transaction privilege taxes. Use Tax will be paid on any item on which Sales Tax has not been paid.

- K. Disclosure. If the Firm, business, or person submitting this Offer has been debarred, suspended, or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a sub-contractor with any federal, state, or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror must fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above must be provided.
- L. Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:
1. Special Terms and Conditions;
 2. General Terms and Conditions;
 3. Statement of Scope of Work;
 4. Specifications;
 5. Attachments;
 6. Exhibits;
 7. Special Instructions to Offerors; and
 8. Instructions to Offerors
- M. Delivery. Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination, freight prepaid to Pima County School Superintendent's Office as indicated on the purchase order, and shall include all delivery and unloading at the destination(s).

3. Submission of Offer

- A. Sealed Envelope or Package. Each Offer shall be submitted to the submittal location identified in this Solicitation, in a sealed envelope or package that identifies its contents as an Offer and the Solicitation number to which it responds. The appropriate Solicitation number shall be plainly marked on the outside of the envelope or package.
- B. Offer Amendment or Withdrawal. Any offer may be withdrawn by the Offeror at any time prior to the date and time set for the solicitation opening. An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.
- C. Public Record. Under applicable law, all Offers submitted and opened are public records and must be retained by the Superintendent. Offers shall be open to public inspection after Contract award, except for such Offers deemed to be confidential by the Reserve. If an Offeror believes that information in its Offer should remain confidential, it shall stamp as confidential that information and submit a statement with its Offer detailing the reasons that information should not be disclosed. The Reserve shall make a determination on whether the stamped information is confidential pursuant to the Reserve's Procurement Code.
- D. Non-collusion, Employment, and Services. By signing the Offer and Acceptance form or other official contract form, the Offeror certifies that:

1. The prices have been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any Offeror or with any competitor; the prices which have been quoted have not been nor will not be disclosed directly or indirectly to any other Offeror or to any competitor; nor attempt has been made or will be made to induce any person or firm to submit or not to submit, an Offer for the purpose of restriction competition. It did not engage in collusion or other anti-competitive practices in connection with the preparation or submitting of its Proposal; and
2. It does not discriminate against any employee, applicant for employment, or person to whom its provides services because of race, color, religion, sex, national origin, disability, veteran's status, or sexual orientation., and that it complies with all applicable federal, state, and local laws and executive orders regarding employment; and
3. By submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State agency or department; and

4. Additional Proposal information

- A. Unit Price Prevails. Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- B. Late Offers. An offer submitted after the exact Offer due date and exact time shall be rejected.
- C. Disqualification. The Offer of an Offeror who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may be rejected.
- D. Offer Acceptance Period. An Offeror submitting an Offer under this Proposal shall hold its Offer open for the number of days from the Offer due date that is stated in the Proposal. If the Solicitation does not specifically state a number of days for the Offer acceptance, the number of days shall be thirty (30) business days. If a Best and Final Offer is requested pursuant to a Request for Proposals, an Offeror shall hold its Offer open for ten (10) business days from the Best and Final due date.
- E. Payment. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Offeror shall submit a complete and accurate invoice for payment within thirty (30) days.
- F. Waiver and Rejection Rights. Notwithstanding any other provision of the solicitation, the Reserve reserves the right to:
 1. Waive any minor informality;
 2. Reject any and all offers or portions thereof; or
 3. Cancel a solicitation.

5. Award

- A. Number or Types of Awards. Where applicable, the Superintendent reserves the right to make multiple awards or to award a Contract by individual line items, by a group of line items, or to make an aggregate award, whichever is deemed most advantageous to the Superintendent. If the Chief Financial Officer determines that an aggregate award to one Offeror is not in the Superintendent's best interest, multiple awards may be awarded.

- B. Contract Inception. An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Chief Financial Officer's signature of the Offer and Acceptance Form. A letter or other notice of award or of the intent to award shall not constitute acceptance of the Offer.
- C. Effective Date. The effective date of this Contract shall be the date that the Chief Financial Officer signs the Offer and Acceptance Form or other official contract form, unless another date is specifically stated in the Contract.

6. Protests

A protest shall comply with and be resolved according to Arizona Department of Education School District Procurement Code Rule A.A.C. R7-2-1141 through R7-2-1153. Protests shall be in writing and be filed with Ricky Hernández, Chief Financial Officer. A protest of a Solicitation shall be received by the Chief Financial Officer before the Offer due date. A protest of a proposed award or of an award shall be filed with the Chief Financial Officer within ten (10) business days after the protester knows or should have known the basis of the protest. A protest shall include:

- A. The name, addresses, and telephone number of the protester;
- B. The signature of the protester or its representative;
- C. Identification of the purchasing agency and the Solicitation or Contract number;
- D. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- E. The form of relief requested

GENERAL TERMS AND CONDITIONS

1. Contract Interpretation

- A. Arizona Law. The laws of the State of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona School District Procurement Code, Arizona Revised Statutes (A.R.S.) 15-213, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 7, Chapter 2, Articles 10 and 11, and A.R.S. §12-1518.
- B. Implied Contract Terms. Each Provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- C. Contract Order of Preference. In the event of a conflict in the provisions of the Contract, the following shall prevail in the order set forth below:
 - 1. Special Terms and Conditions;
 - 2. Uniform General Terms and Conditions;
 - 3. Statement or Scope of Work;
 - 4. Specifications;
 - 5. Attachments;
 - 6. Exhibits;
 - 7. Documents Referenced in the Solicitation;
- 1. Relationship of Parties. The Offeror under this Contract is an independent Offeror. Neither party to this Contract shall be deemed to be the employee agent of the other party to the Contract. The District requires fingerprints for Independent Offerors who provide services to students. Proof of fingerprinting must be received by the Superintendent prior to the issuance of a Purchase Order.
- 2. Conflict of Interest. All parties hereby are put on notice that this Contract is subject to termination if any employee of the Superintendent has substantial interest in the firm and/or services and has not followed State and Superintendent's rules governing orders in such interest. Offeror must further certify that they have not paid or agreed to pay any person, other than a bona fide employee a fee or brokerage resulting from the award of this Contract. The Contract shall be subject to the provisions of A.R.S. § 38-511.
- 3. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 4. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- 5. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

2. Contract Administration and Operation

- A. Records. Under A.R.S. § 35-214 and § 35-215, the Offeror shall retain and shall Contractually require each Sub-contractor to retain all data and other records (“records”) relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit at reasonable times. Upon request, the Offeror shall produce a legible copy of any or all such records.
- B. Non-Discrimination. The Offeror shall comply with State Executive Order 2009-09 and all other applicable Federal, State, County laws, ordinances, rules and regulations, including the Americans with Disabilities Act.
- C. Audit. At any time during the term of this Contract and five (5) years thereafter, the Offeror’s or any Sub-contractor’s books and records shall be subject to audit by the Reserve and, where applicable, the Federal Government, the extent that the books and records relate to the performance of the Contract or Subcontract.
- D. Inspection and Testing. The Offeror agrees to permit access to its facilities, Sub-contractor facilities and the Offeror’s processes for producing the materials, at reasonable time for inspection of the materials and services covered under this Contract. The Reserve shall also have the right to test at its own cost the materials to be supplies under this Contract. Neither inspection at the Offeror’s facilities nor testing shall constitute final acceptance of the materials. If the Superintendent determines non-compliance of the materials, the Offeror shall be responsible for the payment of all costs incurred by the Reserve for testing and inspection.
- E. Notices. Notices to the Offeror required by this Contract shall be made by the Superintendent entity to the person indicated on the Offer and Acceptance form submitted by the Offeror unless otherwise stated in the Contract. The Offeror shall make notices to the Superintendent required by the Contract to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. The Chief Financial Officer and an authorized Offeror representative may change their respective person to whom notices shall be given by written notice and an Amendment to the Contract shall not be necessary.
- F. Advertising and Promotion of Contract. The Offeror shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Chief Financial Officer.
- G. Property of the Reserve. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the Reserve. The Offeror is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Offeror shall not use or release these materials without the prior written consent of the Superintendent.

3. Costs and Payments

- A. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Offeror shall submit a complete and accurate invoice for payment from the Reserve within thirty (30) days. The Purchase Order number must be referenced on the invoice.

- B. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. destination and shall include delivery and unloading at the destinations.
- C. Applicable Taxes.
 - 1. Payment of Taxes by the Superintendent. The Superintendent will pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract.
 - 2. State and Local Transaction Privilege Taxes. The Superintendent is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
 - 3. Tax Indemnification. Offeror and all Sub-contractors shall pay all federal, state, and local taxes applicable to its operation and any persons employed by the Offeror. Offeror shall, and require all Sub-contractors to hold the Superintendent harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
 - 4. IRS W-9. In order to receive payment under any resulting Contract, Offeror shall have a current IRS W-9 Form on file with the Superintendent.
- D. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the Superintendent for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of the Contract. The Superintendent will make reasonable efforts to secure such funds.

4. Contract Changes

- A. Amendments. This Contract is issued by the Chief Financial Officer, under the authority of the Pima County School Superintendent, who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract signed by the Chief Financial Officer. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized employee or made unilaterally by the Offeror are violations of the Contract and or applicable law. Such changes, including unauthorized written Contract Amendments, shall be void and without effect, and the Offeror shall not be entitled to any claim and this Contract based on those changes.
- B. Subcontracts. The Offeror shall not enter into any Subcontract under this Contract without the advance written approval of the Chief Financial Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- C. Assignment and Delegation. The Offeror shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Chief Financial Officer. The Chief Financial Officer shall not unreasonably withhold approval.

5. Risk and Liability

- A. Risk of Loss. The Offeror shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Offeror regardless of receipt.
- B. General Indemnification. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Offeror shall indemnify, defend, and hold harmless the Superintendent's Office and Pima County, its officers, employees, and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the Offeror, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of the blanket contract, purchase order or contract. Offeror warrants that all products and services provided under this contract are non-infringing. Offeror will indemnify, defend, and hold the Superintendent and Pima County, harmless from any claim of infringement arising from services provided under this Contract or from the provision license, transfer, or use for their intended purposes of any products or services provided under this Contract.
- C. Indemnification - Patent and Copyright. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Offeror shall indemnify and hold harmless the Superintendent and Pima County against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of Contract performance or use by the Superintendent of materials furnished or work performed under this Contract. The Superintendent shall reasonably notify the Offeror of any claim for which it may be liable under this paragraph.
- D. Insurance. The Offeror shall secure at its own expense and keep in effect during the term of this contract Workers' Compensation Insurance for all the Offeror's employees engaged in work under this Contract and comprehensive general liability insurance, to include automobile and professional liability, providing limits of not less than \$1,000,000 per occurrence. The Pima County School Superintendent's Office and Pima County shall be named on the Offeror's liability policy as an additional insured. Evidence of the insurance coverage specified above shall be by means of Certificates of Insurance giving the Superintendent thirty (30) days' notice of cancellation or material change in policy. It is understood and agreed that the successful vendor shall provide the Certificates of Insurance and other required documents, and commence the contract services within ten (10) days of notice of award from the Superintendent (see Special Terms and Conditions for other applicable insurance requirements, if applicable).
- E. Safety Offeror, at its own expense and at all times, shall take all reasonable precautions to protect persons and the Superintendent property from damage, loss or injury resulting from the activities of Offeror, its employees, its sub-contractors, and/or other persons present. Offeror will comply with all specific job safety requirements promulgated by any governmental authority, including without limitation, the requirements of the Occupational Safety Health Act of 1970.
- F. Force Majeure
 - 1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means

an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injections-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

2. Force Majeure shall not include the following occurrences:

- a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market; or
- b. Late performance by a Sub-contractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
- c. Inability of either the Offeror or any Sub-contractor to acquire or maintain any required insurance, bonds, licenses, or permits.

3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following Superintendent business day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt requested, and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

G. Third Party Antitrust Violations. The Offeror assigns to the Superintendent any claim for overcharges resulting from antitrust violation the extent that those violations concern materials of services supplied by third parties to the Offeror toward fulfillment of this Contract.

6. Warranties

A. Liens. The Offeror warrants that any materials and supplies under this Contract are free of liens.

B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Offeror warrants that for one year after acceptance by the Superintendent of the materials or services, they shall be:

1. Of a quality to pass without objection in the trade under the Contract description;
2. Fit for the intended purposes for which the materials or services are used;
3. Within the variations permitted by the Contract and are of even kind, quality, and quality within each unit and among all units;

4. Adequately contained, packaged and marked as the Contract may require; and
 5. Conform to the written promises or affirmations of fact made by the Offeror.
- C. Fitness. The Offeror warrants that any material or service supplied to the Superintendent shall fully conform to all requirements of the Solicitation and all representations of the Offeror, and shall be fit for all purposes and uses required by the Contract.
- D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection testing of or payment for the materials or services by the Superintendent.
- E. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties or merchant ability fitness.
- F. Compliance with Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the Contract shall maintain all applicable licenses and permits.
- G. Survival of Rights and Obligations after Contract Expiration or Termination.
1. Offeror's Representations and Warranties. All representations and warranties made by the Offeror under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the Superintendent is not subject to or barred by any limitations of actions prescribed in A.R.S. Title 12, Chapter 5.
 2. Purchase Orders. The Offeror shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Offeror prior to the expiration or termination hereof, unless otherwise directed in writing by the Chief Financial Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

7. Superintendent's Contractual Remedies

- A. Right to Assurance. If the Superintendent in good faith has reason to believe that the Offeror does not intend to, or is unable to perform or continue performing the Contract, the Chief Financial Officer may demand in writing that the Offeror give a written assurance of intent or ability to perform. Failure by the Offeror to provide written assurance within the number of days specified in the demand may, at the Superintendent's option, be the basis for terminating the Contract under the Uniform General Terms and Conditions.
- B. Stop Work Order.
1. The Superintendent may, at any time, by written order to the Offeror, require the Offeror to stop all or any part, of the work called for by this Contract for a period of up to ninety (90) days after the order is delivered to the Offeror, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Offeror shall immediately comply with its terms and take all reasonable steps to minimize the

incurrence of costs allocable to the work covered by the order during the period of work stoppage.

2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Offeror shall resume work. The Chief Financial Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- C. Non-exclusive Remedies. The rights and the remedies of the Superintendent under this Contract are not exclusive.
- D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of Contract. On delivery of nonconforming materials, the Superintendent may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.
- E. Right to Offset. The Superintendent shall be entitled to offset against any sums due the Offeror, any expenses or costs incurred by the Superintendent or damages assessed by the Superintendent concerning the Offeror's nonconforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform General Terms and Conditions.

8. Contract Termination

- A. Cancellation for Conflict of Interest. Pursuant to A.R.S. §38-511, the Superintendent may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the Superintendent is, or becomes at any time while the Contract or an extension the Contract is in effect, an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Offeror receives written notice of the cancellation unless the notice specifies a later time.
- B. Gratuities. The Superintendent may, by written notice, terminate this Contract, in whole or in part, if the Superintendent determines that employment or gratuity was offered or made by the Offeror or a representative of the Offeror to any officer or employee of the Superintendent for the purpose of influencing the outcome of the procurement or securing the Contract, an Amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about Contract performance. The Superintendent, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the gratuity offered by the Offeror.
- C. Suspension or Debarment. The Superintendent may, by written notice to the Offeror, immediately terminate this Contract if the Superintendent determines that the Offeror has been disbarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Sub-contractor of any public procurement unit or other governmental body.
- D. Termination for Convenience. The Superintendent reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the Superintendent

without penalty recourse. Upon receipt of the written notice, the Offeror shall immediately stop all work, as directed in the notice, notify all Sub-contractors of the effective date of the termination and minimize all further costs to the Superintendent. In the event of termination under this paragraph, all documents, data and reports prepared by the Offeror under the Contract shall become the property of and be delivered to the Superintendent. The Offeror shall be entitled to receive just and equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R7-2-1125 shall apply.

E. Termination for Default.

1. In addition to the rights reserved in the General Terms and Conditions, the Superintendent reserves the right to terminate the Contract in whole or in part due to the failure of the Offeror to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Chief Financial Officer shall provide written notice of the termination and the reasons for it to the Offeror.
2. Upon termination under this paragraph, all documents, data and reports prepared by the Offeror under the Contract shall become the property of and be delivered to the Superintendent.
3. The Superintendent may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials and services to replace those under this Contract. The Offeror shall be liable to the Superintendent for any excess costs incurred by the Superintendent re-procuring the materials or services.

F. Continuation of Performance through Termination. The Offeror shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

9. Contract Claims

All Contract claims and controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted there under.

10. Offeror's Employment Eligibility

By entering the contract, Offeror hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to the Offeror's employment of its employees, and with the requirements of A.R.S. §23-214(A) (together the "State and Federal Immigration Laws"). Offeror shall further ensure that each subcontractor who performs any work for the Offeror under this contract likewise complies with the State and Federal Immigration Laws.

The Superintendent shall have the right at any time to inspect the books and records of the Offeror and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of the Offeror's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Offeror to penalties up to and including suspension

or termination of this Contractor. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, the Offeror shall be required to take such step as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontract as soon as possible so as not to delay project completion.

Subcontractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to the Subcontractor's employees, and with the requirements of A.R.S. §23-214(A). Subcontractor further agrees that the Superintendent may inspect the Subcontractor's books and records to insure that the Subcontractor is in compliance with these requirements. Any breach of this paragraph by the Subcontractor will be deemed a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract.

Any additional costs attributable directly or indirectly to remedial action under this Section shall be the responsibility of the Contractor. In the event that remedial action under this Section results in delay to one or more tasks on the critical path of the Contractor's approved critical milestones schedule, such period of delay shall be deemed excusable delay for which the Contractor shall be entitled to an extension of time, but not costs.

11. Fingerprint & Background Checks

If required to provide services on a regular basis to students, Offeror shall submit a fingerprint clearance card to the Superintendent in accordance with A.R.S. 15-512 and 41-1750 for all Contractors, Sub-Contractors or vendors and their employees for which fingerprinted are submitted to the Superintendent. An exception to this requirement may be made as authorized in Governing Board policy, which may exempt from the requirements of these section people who, as part of the normal job duties of the person, are not likely to have independent access to or unsupervised contact with students.

Offeror, sub-contractors, vendors and their employees shall not provide services on school district properties until authorized by the Superintendent.

Additionally, Offeror shall comply with the governing board fingerprinting policies of the Superintendent.

12. Israel Boycott Divestments

Per A.R.S. §35-393.02, the Superintendent is prohibited from purchasing from a company that is participating in a boycott of the State of Israel or that it has taken boycott actions at the request of, in compliance with or in furtherance of calls for a boycott of the State of Israel.

13. Terrorism Country Divestments

Per A.R.S. 35-392, the Superintendent is prohibited from purchasing from a company that is in violation of the Export Administration Act.

14. Gift Policy

The Pima County School Superintendent's Office shall accept no gifts, gratuities, or other items (exception of nominal dollar value not to exceed \$10.00) from vendors. The Superintendent has adopted a zero tolerance policy concerning vendor gifts. The Superintendent may request product samples from vendors for official evaluation with disposal of those said samples at the

discretion of the Chief Financial Officer.

15. Integrity of Proposal

By this Proposal, the Offeror affirms that the Offeror has not given, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to any employee of the Superintendent or Pima County in connection with the submitted Proposal. Failure to sign the Proposal, or signing it with a false statement, shall void the submitted proposal or any resulting contract.

16. Registered Sex Offender Restriction

The Offeror agrees by acceptance of this Contract that no employee of the Offeror or a subcontractor of the vendor, who has been adjudicated to be a registered sex offender, will perform work on Superintendent or Pima County premises or equipment at any time when students are, or are reasonably expected to be, present. The Offeror further agrees by acceptance of this Contract that a violation of this condition shall be considered a material breach and may result in the suspension or termination of the Contract at the Superintendent's discretion. Contractor shall advise each subcontractor of the District's rights and the subcontractor's obligations hereunder.

SPECIAL TERMS AND CONDITIONS

1. Purpose

The intent of this Request for Proposal is to obtain audit services for the Pima County School Reserve Fund managed by the Pima County School Superintendent's Office beginning with the fiscal year ending June 30, 2018.

2. Contract Period

It is the intent of the Superintendent to award a contract not to exceed five (5) fiscal years for the specified services beginning from the date of award. However, no contract exists unless and until a purchase order is issued each fiscal year.

Conditions for renewal of the contract shall include, but not be limited to, satisfactory performance of services during the preceding contract term, ability to continue to provide satisfactory materials and/or services, continued adherence to the requirements of the bid documents, and continued competitive prices for the services and/or products provided under the original contract.

3. Delivery

All prices shall be F.O.B. Destination, freight prepaid to the Superintendent as indicated on the purchase order, and shall include all delivery and unloading at the destination(s).

Prompt delivery may be a factor in the bid award. Failure to deliver order within the specified time frame may result in purchase order cancellation.

All deliveries shall be accompanied by delivery tickets or packing slips. Ticket or packing slip shall contain school district purchase order, description of articles, and vendor name.

4. Award Basis

The Superintendent shall evaluate all offers and award a contract to an Offeror most qualified to meet the needs of the Superintendent based on factors set for in the RFP. Price/discount shall not be the sole factor in making bid award, and bidders should not anticipate that the lowest priced item or service would be awarded in all instances. Responsiveness to the solicitation and responsibility to successfully carry out the contract must be evident. The Superintendent reserves the right to make a multiple award if this is determined to be most beneficial.

The Superintendent retains the right to arrange for discussions to assist in the evaluation of proposals in accordance with AAC R7-2-1047.

- Responsiveness means a person (or company) who submits a bid, which conforms in all material respects to the Request for Proposal.
- Responsibility means a person (or company) who has the capability to perform the contract requirements and the integrity and reliability, which will assure good faith performance.

Any deviation from the general terms and conditions or exceptions taken shall be described fully and appended to the proposal form on the Offeror's letterhead over the signature of the person signing the proposal form. Such appendages shall be considered part of the Offeror's formal proposal. For the absence of any statements of deviation or exception, the proposal shall be accepted as in strict compliance with all terms and conditions.

If a vendor receives a proposal award, an order is placed and vendor is unable to meet the delivery requirements, meet service requirements, or material that meets the Superintendent needs as outlined in this Request for Proposal, or is unable to hold bid price, or fails to provide product or service within a reasonable period of time, AND/OR fails to provide product complying with bid specifications, as determined by the Superintendent, the Superintendent retains the right to go to the next lowest bid price of equal quality which meets bid specifications. If the proposal item delivered does not meet specifications or is received in an unsatisfactory condition and is in a damaged or unusable condition, or if service is unsatisfactory, Offeror must pick up item immediately and replace to Superintendent's satisfaction at no additional charge, or issue full credit, for service a return visit must be re-scheduled within 24 hours. Rejected items must be removed from the Superintendent's premises by the vendor upon verbal notification.

Note: However, if a vendor receives a contract award and is unable to meet the service requirements as outlined in this Solicitation (and subsequent contract), or is unable to hold the contract price, or fails to provide acceptable service as determined by the Superintendent, the Superintendent retains the right to go to the next lowest ranked vendor if this determination occurs within a reasonable time period after contract award.

5. Price Clause

Prices and applicable discounts must remain firm for the initial term of the contract. The Chief Financial Officer will review fully documented requests for price increases prior to any contract renewal. The Superintendent will review fully documented requests for price increases and may at its sole option accept any changes or cancel from the contract those materials and/or services concerned. The vendor shall likewise offer the Superintendent any published price reduction during the contract period. All price adjustments will be effective on acceptance by the Chief Financial Officer. Prices, as indicated, shall include all costs associated with the specified service or good. Any extra or incidental costs must be indicated separately.

6. Award

It is expected that the award for this contract will be made in within thirty (30) days of RFP opening unless otherwise noted.

7. Contract Liaison

The Contract Liaison for any contract awarded under this Request for Proposal will be Ricky Hernández, (520) 724-8451, ricky.hernandez@schools.pima.gov. The Contract Liaison shall act as the Superintendent's contract manager and oversee performance under the contract.

The Contract Liaison may provide the vendor with general guidance as to the contract performance. Changes to an awarded contract shall be effective only upon written approval from the Chief Financial Officer

8. Insurance

Offeror agrees to maintain such insurance as will fully protect Offeror, the Superintendent, and Pima County from any and all claims under any workers' compensation statute or unemployment compensation laws, and from any and all other claims of any kind or nature for damage to property or personal injury, including death, made by anyone, that may arise from work or other activities carried on, under, or facilitated by this Agreement, either by Offeror, its employees, or by anyone directly or indirectly engaged or employed by Offeror. Offeror agrees to maintain such automobile liability insurance as will fully protect Offeror, the Superintendent, and Pima County for bodily injury and property damage claims arising out of the ownership, maintenance or use of owned, hired or non-owned vehicles used by Offeror or its employees, while providing services to the Superintendent.

Successful Offeror will be required to provide proof of and maintain comprehensive general liability insurance with a limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate coverage with a deductible of not more than \$5,000 and naming the Pima County School Superintendent and Pima County as an additional insured parties.

Successful Offeror will be required to submit proof of and maintain Worker's Compensation and Employer's Liability Insurance as required by law.

9. Billing

The successful vendor(s) will be required to bill the Superintendent on an itemized invoice that indicates the items purchased, services provided, and the applicable purchase order number. Invoices must be sent to the district's accounts payable, Pima County School Superintendent's Office, 200 N. Stone Avenue, Tucson, AZ 85701, as shown on the purchase order. Any purchase order issued by Superintendent will refer to the RFP number of this Proposal.

10. Additional Materials/Services

The District Superintendents the right to add related materials and/or services to the contract at any time during the contract period. The Superintendent shall contact the awarded vendor(s) for prices prior to adding any materials and/or service and may, at the Superintendent's sole option, accept the quoted price or purchase elsewhere those materials and/or services.

11. Authority

This Proposal as well as any resulting contract is issued under the authority of Pima County School Superintendent as the designee for the operation of the programs of the Pima County School Reserve Fund (A.R.S. §15-1001). No alteration or any resulting contract may be made without the express written approval of the Superintendent in a form of an official contract amendment. Any attempt to alter any contract with such approval is a violation of the contract and the State of Arizona's Procurement Rules. Any such action is subject to legal and contractual remedies available to the Superintendent inclusive of, but not limited to, contract cancellation, suspension, and/or debarment of the contractor.

12. Discussions/Clarifications

In accordance with A.R.S. § 41-2534, after the initial receipt of proposals, the Superintendent retains the options to conduct discussions with those Offerors who submit proposals determined by the Superintendent to be reasonably susceptible of being selected for award to clarify any issues that arise after each proposal is read.

SCOPE OF WORK

1. Purpose

The purpose of this Request for Proposal (RFP) is to enter into a Contract with a qualified Certified Public Accountant to conduct services listed below for the Pima County School Reserve Fund. The selected audit firm will be required to perform an annual audit, in accordance with U.S. generally accepted auditing standards and Governing Auditing Standards (GAS), issued by the Comptroller General of the United States, and issue reports required by those standards. In addition, the audit firm must compile a USFR Compliance Questionnaire. The scope of work shall commence with the fiscal year ended on June 30, 2018 and for four (4) fiscal years (a total of 5 fiscal years):

- A. Conduct an annual audit of financial transactions and accounts kept by the Pima County School Reserve Fund for the fiscal year ended on June 30, 2018 and for four (4) fiscal years. A draft shall be issued no later than September 15th with a final draft issued no later than October 15th.
- B. Complete the *Uniform System of Financial Records for Arizona School District Compliance Questionnaire* for the Pima Accommodation District No. 00, a unit of the Reserve Fund. Districts must comply with the USFR. To help determine compliance whether districts are in compliance, the Auditor General has developed the USFR Compliance Questionnaire, which consists of a series of questions to be completed by the District's audit firm regarding the requirements set forth in the USFR and Arizona Revised Statutes. The audit firm may obtain a copy of the USFR Compliance Questionnaire at: <http://www.azauditor.gov>.
- C. Assist the Superintendent in submitting annual applications for achievement awards in financial reporting to the Association of School Business Officials International (ASBO) and the Governing Finance Officers Association (GFOA).
- D. Compile financial data for inclusion in the Reserve's Comprehensive Annual Financial report and Pima County Comprehensive Annual Financial Report. This includes, but is not limited to, information required under the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Section 15-914 of Arizona Revised Statutes, and memorandums from the Governmental Accounting Standards Board (GASB).

2. General Information

A. Mandatory Qualifications

The following qualifications are mandatory for audit firms submitting proposals:

- i. Auditors must be properly licenses certified public accountants or persons working for a licensed certified public accounting firm according to GAS.
- ii. Audit firm must meet the independence requirements of GAS.
- iii. Audit firm must not have a record of substandard audit work for the last 5 years. The Superintendent reserves the right to contact the Arizona State Board of Accountancy to verify the audit firm's credentials and the Office of the Auditor General, to verify that

the audit firm has not been debarred or suspended or that such audit firm's contracts are not routinely rejected for substandard audits.

- iv. The audit firm must have an external quality control review performed at least every three (3) years in accordance with GAS. The most recent external quality control review must be included with your Offer.
- v. The audit firm must meet the continuing education requirements of GAS. Therefore, each auditor responsible for planning, directing, conducting, or reporting on GAS audits should complete at least 80 hours of continuing education every 2 years. At least 20 hours should be completed in any one (1) year of the two (2) year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the School Reserve Fund operates.

B. Procedures for Submitting Proposals and Awarding Contract

- i. Five (5) copies of the proposal are required. These should be prepared in accordance with the proposal format requirements discussed in this Solicitation, and packaged in such a manner that the outer wrapping clearly indicates the RFP number. These must be submitted to:

Pima County School Superintendent's Office
c/o Ricky Hernández
200 N Stone Ave
Tucson, AZ 85701

- ii. It is expected that the successful Offeror will be awarded within thirty (30) days from the date of the Solicitation opening.
- iii. Audit work may not begin until the Arizona Auditor General's Office approves the proposed contract and a Purchase Order is issued.
- iv. Cost and pricing information provided in the Offeror's proposal will be held confidential and will not be disclosed to the public and competing audit firms prior to the selection of the successful Offeror. Information on total bid price may be disclosed after the audit firm has been selected.

C. Review of Proposals and Evaluation Criteria

The Superintendent and any outside experts of the Superintendent's Office considered necessary will evaluate the proposals. A point formula will be used during the review process to score proposals. If several proposals are very closely ranked, the Superintendent may arrange for oral discussions with the audit firms to assist in making the selection.

Proposals will be evaluated using three sets of criteria. Audit firms meeting the Mandatory Criteria will have their proposals evaluated and scored for both Technical and Cost Criteria that will be considered during the evaluation process. Those who do not meet the Mandatory Criteria will not be given further consideration.

- i. Mandatory Criteria
 - i. The audit firm is independent and properly licensed.
 - ii. The audit firm's professional staff has received the required continuing professional education within the preceding 2 years.
 - iii. The audit firm submitted its most recent external quality control review report and has a required of quality audit work.

- B. Technical Criteria
 - i. Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed, including (20 Points):
 - a. Comprehensiveness of audit work plan (10 Points)
 - b. Realistic time estimates of each major segment of the work plan and the estimated number of each staff level (10 Points)
 - ii. Technical experience of audit firm (30 Points):
 - a. Auditing Arizona school districts (15 Points)
 - b. Auditing governments (5 Points)
 - c. Auditing computerized systems (5 Points)
 - d. Preparing school district comprehensive annual financial report to be acceptable for presentation to the Association of School Business Officials International for consideration of the ASBO Certificate of Excellence in Financial Reporting and for presentation to the Government Finance Officers Associations for consideration of the GFOA Certificate of Achievement for Excellence in Financial Reporting (5 Points)
 - iii. Qualifications of staff (25 Points)
 - a. Qualifications of supervisory staff and of the audit team performing field work (15 Points)
 - b. General direction and supervision to be exercised over the audit team by the audit firm's management (10 Points)
 - iv. Size and structure of the audit firm, considering the scope of the audit (5 Points)

- C. Pricing/cost criteria (the maximum score for price will be assigned to the audit firm offering the lowest price and proportional scores will be assigned to the remaining audit firms) (20 Points)

Costing is a factor in awarding the contract; however, only those proposals that meet all the mandatory criteria in the RFP will be given consideration. The Contract will not be awarded solely on the basis of cost.

GRAND TOTAL FOR TECHNICAL & COST CRITERIA = 100 POINTS

D. Proposal Format

The proposal must conform to the format specified below. The Superintendent will make no reimbursement for the cost of developing or presenting proposal in response to this RFP.

i. Title Page

Each proposal must contain a title page that identifies the RFP number and the subject and provides the audit firm's name, address, telephone number the name and title of a contact person and the date the proposal was submitted. The title page must also state the period the proposal is effective (nonrescindable).

ii. Table of Contents

The proposal's table of content should include a clear and complete identification of the materials submitted by section and page number.

iii. Letter of Transmittal

A brief letter of transmittal should be submitted that includes the following information:

- a. The audit firm's understanding of the work to be performed.
- b. A positive commitment to perform the service within the time period specified.
- c. The names of persons authorized to represent the audit firm, their titles, addresses, and telephone numbers.
- d. References to a sealed envelope that contains the all-inclusive fee for which the audit work will be done. The fee amount should not be divulged elsewhere in the proposal.

iv. Audit Firm Profile and Qualifications

The following information should be included:

- a. A description of the audit firm, including office size; whether the organization is local, regional, national or international in its operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e. auditing, accounting, tax, or management services).
- b. Affirmation that the audit firm meets the mandatory qualifications set forth on Page 22.
- c. A statement of the audit firm's expertise in: 1) financial audits of Arizona school districts; 2) financial audits of governments; 3) audits of computerized systems; and 4) audits of federal requirements.

- d. A description of prior experience with audit services of a similar or related nature. The description should include a list of names and dates of school districts audited, with an individual contact name, phone number, and email addresses. Provide this information for two (2) current clients and two (2) previous clients, preferably at least one of each should be a school district.
 - e. Identification of senior and technical staff to be assigned to the audit, including the audit manager or partner. Staff named in the proposal may be substituted with at least a thirty (30) day notification to the Superintendent. Resumes, including relevant experience and continuing education of the auditor in charge up to the individual with final responsibility for the audit, may be included as an appendix.
- v. Audit Firm's Approach to the Audit

The technical portion of the proposal shall include, as a minimum:

- a. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP. The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in the RFP.
 - b. A plan for organizing and staffing the audit, with an estimate of time each staff member will devote to the audit.
- vi. Cost Proposal

The cost portion of the proposal should be submitted along with the proposal, **but in a separate, sealed envelope.** [Note: The cost proposal should include separate costs for audits of basic financial statements, CAFR statements, and federal program (i.e., Single Audits, if applicable). Any fees that will be paid to the audit firm for submission of the districts reports to ASBO and GFOA for certifies or for preparation should also be listed separately in the cost proposal.]

3. **Description of District and Records to be Audited**

A. General

The Pima County School Reserve Fund ("Reserve") is a special revenue fund of Pima County operated by the Pima County School Superintendent's Office. The Reserve is comprised of the Pima Accommodation School District No. 00 and Pima Special Programs No. 99, which are both political subdivisions of the State of Arizona located in Pima County. The District consists of approximately 70 students. The District operates on a July 1 to June 30 fiscal year. Pima Special Programs is the education service agency

arm of the Superintendent's Office providing special services to schools in Pima County through federal, state and local funds authorized under A.R.S. §15-301.

The accounting policies of the Reserve conform to the U.S. generally accepted accounting principles as adopted by the Government Accounting Standards Board (GASB).

B. Reporting Entity

The Reserve is a special-purpose fund that is operated by the Pima County School Superintendent's Office, an elected official of Pima County government, with authority from the Pima County Board of Supervisors. The Superintendent's Office is considered a component unit of Pima County. All financial statement presentation of the Reserve is incorporated into the financial statements for Pima County. The Pima Accommodation District is considered a fiscally independent entity within Pima County and its governing board is the county school superintendent. However, the Reserve Fund is ultimately governed by Board of Supervisors.

C. District Funds

The District report the following governmental and enterprise funds and other fund types:

<u>Governmental</u>	<u>Number of Funds</u>
General Fund	1
Major Funds	5
Non-Major Funds	20

<u>Enterprise</u>	<u>Number of Funds</u>
General Fund	0
Major Funds	0
Non-Major Funds	0

<u>Internal Service</u>	<u>Number of Funds</u>
General Fund	0
Major Funds	0
Non-Major Funds	3

D. Federal and State Financial Assistance

The Reserve is not required to produce a Single Audit Report as required by Arizona Revised Statutes and the *Uniform Guidance*. All federal expenditures are incorporated into Pima County's Single Audit performed by the Arizona Auditor General's Office. However, an unaudited Schedule of Expenditures of Federal Awards (SEFA) is produced in order to incorporate the information into the County's Single Audit report. Please refer to Appendix A for a list of Federal and State financial assistance program expenditures for the fiscal year ended June 30, 2017.

E. Deposit of District Monies

In accordance with A.R.S. §15-341(A)(20) and §11-491, the Superintendent deposits with the County Treasurer all monies received, except monies allowed to be held in a separate bank account as listed below. The County School Superintendent draws warrants on funds on deposit with the County Treasurer upon presentation of a voucher by the District Governing Board to expend District monies with the County Treasurer.

In addition to maintaining fund on deposit with the County Treasurer, the District maintains several bank accounts in according with State law. Following is a list of all bank accounts maintained by the District.

The bank and location for all of these accounts is:

Bank of America
902 N. Stone Ave
Tucson, AZ 85705

The outside bank accounts are:

- i. Payroll Direct Deposits Clearing Account
- ii. Employee Insurance, Federal & State Tax Withholding Account
- iii. Miscellaneous (Professional Development Registration) Clearing Account
- iv. Maintenance & Operations (Petty Cash) Revolving

F. Magnitude of Financial Activity

The Reserve Fund's total expenditures budgeted for the years ended June 30, 2016 and June 30, 2017, were \$1,813,809 and \$2,048,054, respectively.

The Reserve Funds total revenues for the years ended June 30, 2016 and June 30, 2017, were \$1,748,122 and \$1,934,940, respectively.

The District has approximately 20 employees with estimated payroll expenditures of \$1,234,213 and \$1,104,328 for the years ended June 30, 2017 and June 30, 2016, respectively.

Annual budgets, annual financial reports, and financial statements for the last two (2) year(s) ended June 30, 2017 and June 30, 2016, will be sent to interested, qualified audit firms upon request, or may be examined at the Superintendent's Office.

G. Uniform System of Financial Records (USFR)

Section 15-271 of Arizona Revised Statutes requires the Auditor General in conjunction with the Arizona Department of Education (ADE) to prescribe a uniform system of financial records for use by school districts. This system has been established in the *Uniform System of Financial Records* accounting manual.

The USFR includes a Chart of Accounts that provides for the establishment of a complete accounting system. The Chart complies with U.S. generally accepted accounting

principles, and meets the requirements of the U.S. Department of Education's account classifications and Arizona Revised Statutes. The account codes and titles listed in the chart must be used by the Reserve Fund.

The USFR also provides comprehensive accounting procedures for accounting records, cash, supplies inventory, property control, revenues, expenditures, payroll, travel, and state and federal financial assistance.

4. **Report Review, Timing and Number of Copies**

Following completion of draft reports, the audit firm must submit two (2) copies of the audit reports, management letter, and the USFR Compliance Questionnaire to the audit liaison Ricky Hernandez, Chief Financial Officer for review.

Upon completion of the final reports, the audit firm must provide 10 paper copies and one electronic copy of the audit reports, management letter, and USFR Compliance Questionnaire to the Superintendent. The electronic copies shall be in a PDF form. The audit firm must also provide the electronic copies of the audit reports, management letter, and USFR Compliance Questionnaire to the Arizona Auditor General's Office, Accounting Services Division, and ADE's Grants Management Division and send a paper copy or electronic copy of the applicable audit report to the Pima County School Superintendent's Office.

The audit firm will make no other distribution unless approved by the Superintendent.

Sections 15-914(E) and 41-1279.21(A)(4) require the Auditor General to ensure that completed audits are conducted in accordance with U.S. generally accepted auditing standards, GAS, the *Uniform Guidance*, and the minimum audit and reporting standards prescribed by the Auditor General. **An audit will not be accepted as meeting the requirements of this section until it has been approved by the Auditor General.**

5. **Exit Conference Requirements**

The audit firm must be available to participate in one or more exit conferences with members of the Superintendent's Office. When necessary, audit firm must be able to also meet with Pima County officials and the Board of Supervisors. Exit conferences must be coordinated through the audit liaison Ricky Hernández, Chief Financial Officer. The purposes of the exit conferences are to discuss the draft audit reports with the Superintendent, identify any errors, and obtain comments on report findings and recommendations. In addition, the audit firm should review the District's USFR noncompliance findings with the Superintendent's Office officials.

6. **Audit Documentation**

The audit firm shall retain the audit documentation in its entirety for a period of 5 years after the date of the audit report, unless the Auditor General requests a longer retention period. The audit documentation shall subject at all reasonable times to review upon request by the Auditor General or his/her designee, ADE, the *United States Government Accountability Office*, other appropriate governmental agencies, or produced at the Arizona Auditor General's Office, if so requested.

7. **Contractual Arrangements**

A. Multi-term Contracts

If the monies are not appropriated or others made available to support continuation of performance in a subsequent fiscal year, the contract shall be cancelled. If the type or frequency of audits the Superintendent is required to obtain in a subsequent fiscal year changes or the Superintendent is no longer required to obtain an audit, the contract may be amended or cancelled. If the contract is cancelled, the audit firm shall be reimbursed for the reasonable value of any nonrecurring cost incurred but not amortized in the price of services under the contract or which are otherwise not recoverable.

8. **Right to Reject**

The Superintendent reserves the right to:

- A. Reject any or all proposals submitted.
- B. Request additional information from all audit firms
- C. Conduct discussions with responsible audit firms who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements.
- D. Negotiate modifications to the audit firm's proposals prior to the final award for the purpose of obtaining best and final offers.
- E. Negotiate a contract that may be terminated for lack of funds.

9. **Assistance Available to Audit Firms**

A. Previous Audit Reports and Audit Documentation

The most recent audit of the Reserve Fund was performed for the last year ended June 30, 2017, by Heinfeld, Meech & Co., P.C. The audit firms reports issued on November 17, 2017, contained an unqualified opinion.

Audit documentation related to the aforementioned audit is available for inspection by contact Aaron Van Winkle, Senior Associate, at Heinfeld, Meech & Co., P.C., 10120 N. Oracle Road, Tucson, AZ 85704, (520) 742-2611, ext. 138.

B. District Assistance

District officials and staff will be available to assist the audit firm by providing information, documentation, and explanations as required. Ricky Hernandez, Chief Financial Officer will be the audit liaison between the Superintendent and the audit firm.

C. Grantor Assistance

Questions or requests for assistance concerning federal grants should be directed to ADE's Grants Management Division or the applicable ADE federal program area.

PROPOSAL SUBMISSION REQUIREMENTS

1. **Five (5)** copies of your proposal must be submitted. The Superintendent shall assume no responsibility for any costs related to the preparation or submission of the proposal. In order for the proposal to be considered, all items should be included and properly referenced (preferably through index tabs) in the following order. Refer to Pages 23-24 regarding descriptions of the Proposal Format items listed below.
 - a. Title Page
 - b. Table of Contents
 - c. Letter of Transmittal
 - d. Audit Firm Profile and Qualifications
 - e. Audit Firm's Approach to the Audit
 - f. Cost Proposal
 - g. Required Forms
 - i. Offer & Acceptance Form
 - ii. Confidentiality and Proprietary Information Form
 - iii. Deviations and Exceptions Form
 - iv. Drug-Free Workplace Form
 - v. Addendum Acknowledgement Form
 - vi. IRS Form W-9 – (Download at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>)

RFP #17-001	OFFER AND ACCEPTANCE	Pima County School Superintendent 200 N Stone Avenue Tucson, AZ 85701 (520) 724-8451 (520) 770-4210
The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the offer.		
Company Name		For Clarification of this Offer, contact:
Arizona Transaction (Sales) Privilege Tax License No.		
Federal Employer Identification No.		Phone
Street Address		Fax
City		E-mail
State	Zip	
Tax Rate (if applicable) _____%		Signature of Person Authorized to Sign Offer
		Printed Name of Person Authorized to Sign Offer
		Title
CERTIFICATION By signature in the Offer section above, the bidder certifies: <ol style="list-style-type: none"> 1. The submission of the proposal did not involve collusion or other anti-competitive practices. 2. The Offeror shall not discriminate in violation of Arizona Executive Order 2009. 3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted proposal. Failure to provide a valid signature affirming the stipulations required by this clause shall result in the rejection of the proposal. Signing the proposal with a false statement shall void the proposal, any resulting contract, and may be subject to legal action as provided by law. 4. The Offeror warrants that it and all proposed subcontractors will maintain compliance with the Federal Immigration and National Act, A.R.S. §41-4401 and §23-214, and all other Federal immigration laws and regulations related to the immigration status of its employees which requires compliance with Federal immigration laws by employers, contractors, and subcontractors in accordance with the E-Verify Employee Eligibility Verification Program. 5. Pursuant to A.R.S. §§ 35-392, 35-393.02, the Offeror does not violate and shall remain in compliance with the Export Administration Act and does not participate in boycott of the State of Israel. 6. Pursuant to A.R.S. §15-512, the Offeror shall comply with fingerprinting requirements unless otherwise exempted. 7. By submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State department or agency. 8. By submission of this proposal, that no Federal appropriated funds have been or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement. 		
ACCEPTANCE OF OFFER		
When approved for award and countersigned by the Chief Financial Officer or authorized designee, the offer is accepted. The Offeror is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc. and the Offeror's Solicitation as accepted by the school district/public entity. The Offeror shall not commence any billable work or to provide any materials or service under this contract until Offeror receives a written Purchase Order.		
AWARDED BY:		
_____ Chief Financial Officer, Pima County School Superintendent's Office		_____ Date

CONFIDENTIALITY AND PROPRIETARY SUBMITTALS

(Please select ONE)

_____ No confidential and/or proprietary materials have been included with this offer.

_____ Confidential and/or proprietary materials are included. Offerors should identify separately any portion of their Offer deemed confidential or proprietary (See Page 4, Paragraph 3C) and attach to this form. Identification in this section does not guarantee that disclosure will be presented but that the item will be subject to review by the Offeror and the Reserve prior to any public disclosure. Requests to deem the entire offer or price as confidential will not be considered.

Audit Firm Name

Authorized Signature & Date

Printed Name & Title

DEVIATIONS & EXCEPTIONS FORM

(Please select ONE)

Please attach a separate list with this form on any deviation or exception for any item listed in this RFP. The page and item number must be listed that point out the deviation. Any deviation/exception or inability of the provider to handle that particular item must be clearly and fully stated. Failure to show specific deviations indicates full compliance with the RFP.

OR

_____ No exceptions or deviations. The undersigned hereby acknowledges that there are no deviations or exceptions to this RFP.

Audit Firm Name

Authorized Signature & Date

Printed Name & Title

NON-COLLUSION AFFIDAVIT FORM

I, _____ affiant,
(Printed Name)

the _____ of
(Title)

(Audit Firm Name)

The signature confirms Proposal is genuine and not sham or collusive, nor made in the interest of, or behalf of, any person not herein named, and that the Offeror has not directly or indirectly induced or solicited any other Offeror to put in a sham Proposal, or any other person, firm, or corporation to refrain from submitting a Proposal, and that the Offeror has not in any manner sought by collusion to secure for itself an advantage over any other Offeror.

Signature and Date

ADDENDUMS

This page is used to acknowledge any and all addendums that might be issued. If no addenda are issued, you do not need to return this page. Your signature on each acknowledgement line indicates that you took the information provided in the addendum into consideration when providing your response. Failure to acknowledge addenda may result in your offer being deemed non-responsive. Addendums will posted on the Pima County School Superintendent's website at: www.schools.pima.gov.

Please sign and date each applicable addendum acknowledgement line.

ADDENDUM #1 Acknowledgement _____ Date _____

ADDENDUM #2 Acknowledgement _____ Date _____

ADDENDUM #3 Acknowledgement _____ Date _____

ADDENDUM #4 Acknowledgement _____ Date _____

ADDENDUM #5 Acknowledgement _____ Date _____

APPENDIX A

Federal and State Grant Project Expenditures For the Fiscal Year Ended June 30, 2017

AWARD	EXPENDITURES
Title I-D	75,610.36
Title II-A	10,732.68
Title III-A	41,288.50
IDEA Grants	268,531.37
Secure Rural Schools Act	15,299.84
Substance Abuse Prevention Block Grant	64,196.46
Taylor Grazing Act	9,500.00
Juvenile Crime Reduction Fund	7,845.47