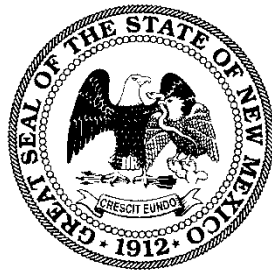


STATE OF NEW MEXICO
DEPARTMENT OF VETERANS' SERVICES



REQUEST FOR PROPOSALS
RFP# 18-67000-00001

Audit Services

Issue Date: 06/15/2018

Due Date: 07/15/2018

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I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The State of **New Mexico Department of Veterans Services (DVS)** requests proposals for an Independent Public Accountant (IPA) to perform annual audit(s) of the DVS/NMVH financial statements and the financial statements of all DVS Discretely-Presented Component Units for the years ending June 30, 2018, June 30, 2019, and June 30, 2020. Qualified IPAs in good standing with the Office of the State Auditor are requested to submit proposals. This audit shall be performed in accordance with applicable Generally Accepted Auditing Standards (GAAS), Generally Accepted Governmental Auditing Standards (GAGAS/Yellow Book), Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) Statements, CFR 2 part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Requirements for Contracting and Conducting Audits of Agencies (2.2.2 NMAC).

B. VISION

The mission of the Department of Veterans Services is to provide the highest quality service and advocacy for New Mexico's veterans and their families. The vision of the Department of Veterans Services is to be recognized as a premier agency that anticipates and meets the changing needs of New Mexico's veterans and their families.

C. SUMMARY SCOPE OF WORK

- 1) Professional Audit Services to be rendered include:
 - a. Audit of the DVS Financial Statements
 - b. Audit of the Financial Statements of all DVS Component Units
 - c. Audit of Health Insurance Portability and Accountability Act (HIPAA) compliance
 - d. GAGAS/Yellow Book Audit of DVS
 - e. GAGAS/Yellow Book Audit of all DVS Component Units
 - f. Federal (CFR 2 part 200 – Uniform Administrative Requirements, Cost Principles, and audit requirements for federal awards) Single Audit of DVS federal funds, as required
 - g. Federal (CFR 2 part 200 – Uniform Administrative Requirements, Cost Principles, and audit requirements for federal awards) Single Audit of all DVS Component Units' federal funds, as required
 - h. DVS Financial Statement Preparation
 - i. Preparation of Required Financial Statements for all DVS Component Units
 - j. Preparation of condensed financial statements presentation for the audited report

D. SCOPE OF PROCUREMENT

The DVS requests a multi-year proposal to provide services, identified in this RFP, for the fiscal years ending June 30, 2018, June 30, 2019, and June 30, 2020. The term of the contract shall be one year with the option to extend for two successive one year terms at the same price, terms and conditions as stated on the original proposal. The scope of procurement shall encompass the Scope of Work in Section IV of this RFP. The contract shall become effective beginning July 1, 2018 or upon signature of the State Auditor. The DVS shall have the option to extend the contract for two (2) one-year terms or any portion thereof. In no event, shall the contract exceed duration of three years including all extensions and renewals.

E. PROCUREMENT MANAGER

The Agency has designated a Procurement Manager who is responsible for the conduct of this procurement whose name, address, phone number, and email address are listed below:

Danelle Lucero, Chief Procurement Officer
Administrative Services Division
407 Galisteo Street, Room 142
Santa Fe, NM 87501
Phone: 505-827-6365
Danelle.Lucero@state.nm.us

All deliveries via express carrier should be addressed as follows:
John Bacon, Contracts
Administrative Services Division
407 Galisteo Street, Room 142
Santa Fe, NM 87501

Any inquiries or requests regarding this procurement should be submitted to the Procurement Manager in writing via email. Offerors may contact **ONLY** the Procurement Manager regarding the procurement. Other state employees do not have the authority to respond on behalf of the Agency.

E. DEFINITION OF TERMINOLOGY

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

“**Agency**” means the New Mexico Department of Veterans Services (DVS). This term is used interchangeably with “Department” and “DVS”.

“**ARRA**” means the American Recovery and Reimbursement Act.

“**Audit Rule**” means NMAC 2.2.2 (Title 2-Public Finance, Chapter 2-Audits of Governmental Entities, Part 2-Requirements for Contracting & Conducting Audits of Agencies, of the New Mexico Administrative Code.) NMAC 2.2.2 is posted on the New Mexico Office of the State Auditor’s website at www.saonm.org

“**Chief Financial Officer**” or “**CFO**” means the DVS Chief Financial Officer.

“**Close of Business**” means 5:00 PM Mountain Daylight Time.

“**Contract**” means any agreement for the procurement of items of tangible personal property, services or construction derived from an ITB or RFP.

“**Contract Manager**” means the individual selected by the Agency to monitor and manage all aspects of the contract resulting from this RFP.

“**Contractor**” means an employer contracting with the State of New Mexico, which employer has, had, or anticipates having six (6) or more employees who worked, are working, or are expected to work an average of at least twenty hours per week over a six-month period, with said six month period being at any time during the year prior to seeking the contract(s) with the State, or any time during the term of the contract(s) with the State;

“**Deliverable**” means any measurable, tangible, verifiable outcome, result, or item that must be produced to complete a project or part of a project.

“**Department of Information Technology**” or “**DoIT**” means the New Mexico Department of Information Technology, which is responsible for operating the data center and all communications related items.

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

“Determination” means the written documentation of a decision of a procurement manager including findings of fact supporting a decision. A determination becomes part of the procurement file to which it pertains.

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

“DFA/CRB” means the Contracts Review Bureau of the Department of Finance and Administration for the State of New Mexico.

“DVS” means the New Mexico Department of Veterans Services. This term is used interchangeably with “Agency” and “Department.”

“Employer” means any for-profit or not-for-profit business, regardless of location, that employs one or more persons that qualify as a “New Mexico Employee” (see below). Such definition does not include governmental entities.

“Evaluation Committee” means a body appointed by the Agency management to perform the evaluation of offeror proposals.

“Evaluation Committee Report” means a report prepared by the Procurement Manager and the Evaluation Committee for submission to the State Purchasing Agent for contract award that contains all written determinations resulting from the conduct of a procurement requiring the evaluation of competitive sealed proposals.

“Finalist” is defined as an offeror who meets all the mandatory specifications of the Request for Proposal and whose score on evaluation factors is sufficiently high to qualify that offeror for further consideration by the Evaluation Committee.

“FY” means Fiscal Year.

“FYE” means Fiscal Year Ended.

“IPA” means Independent Public Accountant.

“Mandatory” The terms “must,” “shall,” “will,” or “is 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.

“Milestone” means a significant event in a project, usually the completion of a major deliverable.

“New Mexico Employee” means any resident of the State of New Mexico, performing the majority of their work within the State of New Mexico, for any employer regardless of the location of the employer’s office or offices.

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

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

“Procurement Distribution List” is a list of potential offerors that have completed and submitted the Acknowledgement of Receipt form to the Procurement Manager.

“Procurement Manager” means the person or designee authorized by the Agency to manage or administer a procurement requiring the evaluation of competitive sealed proposals. The Procurement Manager is the only person authorized to respond to questions regarding the scope of the services to be performed under this RFP.

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

“Requirements” are obligatory and mean the system functions that are related to the organization’s goals and business opportunities. Requirements are defined by the project team and are usually prioritized.

“Responsive Offer or Responsive Proposal” means an offer or proposal that 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.

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

“Solicited and Awarded” means an RFP was made available to the general public, through any means, after January 1, 2008 AND the contract(s) sought as a result of that solicitation was/were awarded after January 1, 2008.

“Solicitations” means RFPs.

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

G. BACKGROUND INFORMATION

The New Mexico Department of Veterans Services is a cabinet-level agency in the Executive Branch of New Mexico State Government. The Department is headed by a Cabinet Secretary appointed by the Governor and confirmed by the New Mexico State Senate. The Department consists of the Office of the Secretary and the following Divisions:

1. Administrative Services Division – Salvador Soto, Director
2. Field Services Division – Larry Campos, Director
3. Health Care Coordination Division – Mitchell Lawrence, Director
4. State Benefits Division – vacant, Director

Currently, DVS consists of approximately 268 Permanent and 13 regular Term Positions.

H. PROCUREMENT LIBRARY

Offerors are encouraged to review the information listed below:

- New Mexico Procurement Regulations are available at: www.generalservices.state.nm.us/statepurchasing/
- New Mexico State Auditor Rule (2.2.2 NMAC) is posted on the New Mexico Office of the State Auditor's website at: www.saonm.org/
- Audit copies for prior years may be viewed at: www.saonm.org/

II. CONDITIONS GOVERNING THE PROCUREMENT

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

A. SEQUENCE OF EVENTS

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

	<u>Action</u>	<u>Responsibility</u>	<u>Date</u>
1.	Issue of RFP	Agency	06/15/2018
2.	Acknowledgement of Receipt Deadline	Potential Offerors	06/22/2018
3.	Deadline To Submit Additional Questions	Potential Offerors	06/29/2018
4.	Response to Written Questions/RFP Amendments	Agency	07/02/2018
5.	Submission of Proposals Deadline	Offerors	07/16/2018
6.	Proposal Evaluation	Evaluation Committee	07/17/2018- 07/19/2018
7.	Selection of Finalist(s)	Evaluation Committee	07/19/2018
8.	Oral Presentations (If necessary)	Finalist Offerors	07/20/2018
9.	Recommended IPA Selection Submission to OSA	Agency	07/20/2018
10.	OSA Approval	OSA	07/30/2018
11.	Finalize Contract	Agency/Finalist	08/03/2018
12.	Contract Award	Agency	08/06/2018
13.	Protest Deadline	Offerors	15 days after Contract Award

B. EXPLANATION OF EVENTS

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

1. Issue of RFP

This RFP is being issued by DVS on **June 15, 2018** and can be obtained from the DVS Website at: www.nmdvs.org.

2. Distribution List Response

Offerors shall submit the completed, signed Acknowledgement of Receipt Form by Close of Business on **June 22, 2018** to the Procurement Manager (see Section I, Paragraph E). The form should be signed by the offeror's representative, dated, and delivered by hand, facsimile, or by mail. Failure to return this form may constitute a presumption of receipt and withdrawal from the procurement process, and the offeror's organization name may be deleted from the procurement distribution list.

3. Deadline to Submit Additional Questions

Potential offerors may submit additional written questions as to the intent or clarity of this RFP until close of business on **June 29, 2018**. All written questions must be addressed to the Procurement Manager.

4. Response to Written Questions/RFP Amendments

Written responses to written questions will be provided by the Procurement Manager via email within one (1) business day and will be distributed in accordance with Section II, Paragraph A (*Sequence of Events*) to all potential offerors whose organization name appears on the procurement distribution list. An email Acknowledgement of Receipt Form will accompany the written email response and should be returned to the Procurement Manager.

Questions and Answers will be posted to DVS website at: www.nmdvs.org.

5. Submission of Proposals

ALL OFFEROR PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER OR DESIGNEE BY CLOSE OF BUSINESS ON JULY 16, 2018, IN ACCORDANCE WITH SECTION II, PARAGRAPH A (*SEQUENCE OF EVENTS*) ABOVE.

Proposals received after this deadline will not be accepted. The date and time will be recorded on each proposal. Proposals must be addressed and delivered to the Procurement Manager at the address listed in Section I, Paragraph E. Proposals must be sealed and labeled on the outside of the package to clearly indicate a response to the "DVS AUDIT SERVICES" Request for Proposals (RFP). Proposals submitted by facsimile will not be accepted.

A public log will be kept of the names of all offeror organizations that submitted proposals. Pursuant to Section 13-1-116 NMSA 1978, the contents of any proposal shall not be disclosed to competing offerors prior to contract award.

6. Proposal Evaluation

The evaluation of proposals will be performed by an evaluation committee appointed by Agency management. The evaluation process will take place in accordance with Section II, Paragraph A (*Sequence of Events*). During this time, the Procurement Manager may, at her option, initiate discussion with offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals, but proposals may be accepted and evaluated without such discussion. Discussions **SHALL NOT** be initiated by the offerors.

7. Selection of Finalists

The Evaluation Committee will select and the Procurement Manager will notify the finalists in accordance with Section II, Paragraph A (*Sequence of Events*). Only finalists will be invited to participate in the subsequent steps of the procurement.

8. Oral Presentations

If selected as a finalist, Offerors agree to provide the Evaluation Committee the opportunity to interview proposed staff members identified by the Evaluation Committee, at the option of the Agency. The Evaluation Committee may request a finalist to provide an oral presentation of the proposal as an opportunity for the Evaluation Committee to ask questions and seek clarifications.

9. Finalize Contract

The contract will be finalized with the most advantageous offeror in accordance with Section II, Paragraph A (*Sequence of Events*). In the event that mutually agreeable terms cannot be reached within the time specified, the Agency reserves the right to finalize a contract with the next most advantageous offeror without undertaking a new procurement process or to cancel the award.

10. Contract Award

After review of the Evaluation Committee Report, the recommendation of the Agency management, and the signed contract, the State Purchasing Agent will award the contract in accordance with Section II, Paragraph A (*Sequence of Events*). This date is subject to change at the discretion of the State Purchasing Agent.

This contract shall be awarded to the offeror whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP. The most advantageous proposal may or may not have received the most points.

11. Protest Deadline

Any protest by an offeror must be timely and in conformance with Section 13-1-172 NMSA 1978 and applicable procurement regulations. The fifteen (15)-day protest period for responsive offerors shall begin on the day following the contract award and will end as of Close of Business 15 days thereafter, in accordance with Section II, Paragraph A (*Sequence of Events*). Protests must be written and must include the name and address of the protestor and the request for proposals number. It must also contain a statement of grounds for protest including appropriate supporting exhibits, and it must specify the ruling requested from the Agency. The protest must be delivered to the Agency, at the following address:

**New Mexico Department of Veterans Services
407 Galisteo Street, Room 142
Santa Fe, New Mexico 87501**

Protests received after the deadline will not be accepted.

C. GENERAL REQUIREMENTS

This procurement will be conducted in accordance with the State Purchasing Agent's procurement code regulations (1.4.1 NMAC).

1. Acceptance of Conditions Governing the Procurement

Offerors must indicate their acceptance of the Conditions Governing the Procurement section in the letter of transmittal. Submission of a proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP.

2. Incurring Cost

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

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

3. Prime Contractor Responsibility

Any contract that may result from the RFP shall specify that the prime contractor is solely responsible for fulfillment of the contract with the Agency. The Agency will make contract payments only to the prime contractor.

4. Subcontractors

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. The prime contractor shall be wholly responsible for the entire performance whether or not subcontractors are used.

5. Amended Proposals

An offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. The Agency personnel will not merge, collate, or assemble proposal materials.

6. Offeror's Right to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The offeror must submit a written withdrawal request, signed by the offeror's duly authorized representative and addressed to the Procurement Manager.

The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations.

7. Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm for one hundred twenty (120) days after the due date for receipt of proposals or ninety (90) days after receipt of a best and final offer if one is submitted.

8. Disclosure of Proposal Contents

The proposals will be kept confidential until a contract is awarded. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. The Procurement Manager will not disclose or make public any pages of a proposal on which the offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements.

Proprietary or confidential data shall be readily separable from the proposal in order to facilitate eventual public inspections of the non-confidential portion of the proposal. Confidential data are normally restricted to confidential financial information concerning the offeror's organization and data that qualify as a trade secret in accordance with the Uniform Trade Secrets Act [Sections 57-3A-1 through 57-3A-7 NMSA 1978]. 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 Agent 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

The procurement in no manner obligates the State of New Mexico or any of its agencies to the eventual rental, lease, purchase, etc., of any equipment, software, or services offered until a valid written contract is awarded and approved by appropriate authorities (including the DoIT, State Purchasing Division, DFA/CRB and Federal 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 the RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such termination will be effected by sending written notice to the contractor. The 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 concerns must be promptly brought to the attention of the Procurement Manager.

13. Governing Law

This procurement and any agreement with offerors that may result shall be governed by the laws of the State of New Mexico.

14. Basis for Proposal

Only information supplied by the Agency in writing through the Procurement Manager or in this RFP or on the website of the Office of the State Auditor (www.saonm.org) should be used as the basis for the preparation of offeror proposals.

15. Contract Terms and Conditions

The contract between the Agency and a contractor will follow the format specified by the Agency and contain the terms and conditions set forth in Appendix B, "Sample Contract/Agreement Terms and Conditions." However, the Agency reserves the right to negotiate with a successful offeror provisions in addition to those contained in this RFP. The contents of this RFP, as revised and/or supplemented, and the successful offeror's proposal will be incorporated into and become part of the contract.

Should an offeror object to any of the Agency's terms and conditions, as contained in this Section or in Appendix B, that 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 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.

16. Offeror's Terms and Conditions

Offerors must submit with the proposal a complete set of any additional terms and conditions that they expect to have included in a contract negotiated with the agency.

17. Contract Deviations

Any additional terms and conditions that may be the subject of negotiation will be discussed only between the Agency and the selected offeror 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 offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any offeror who is not a Responsible Offeror or who fails to submit a responsive offer as defined in §13-1-83 and §13-1-85 NMSA 1978.

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 fail to meet the same mandatory requirements and/or doing 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 representatives are not, in the opinion of the Agency, meeting its needs adequately.

21. Notice

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

22. Agency Rights

The Agency reserves the right to accept all or a portion of an offeror's proposal, including the right to purchase software or services from SPA approved price agreements.

23. Right to Publish

Throughout the duration of this procurement process and contract term, potential offerors, 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 or the subsequent contract. Failure to adhere to this requirement may result in disqualification of the offeror's proposal or termination of the contract.

24. Ownership of Proposals

All documents submitted in response to the RFP shall become the property of the Agency and 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) agree 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.4, Response to Written Questions/RFP Amendments).

27. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. If accepted by such means, the offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of conflict between a version of the RFP in the offeror's possession and the version maintained by the Agency, the version maintained by the Agency shall govern.

28. New Mexico Employees Health Coverage

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

(a) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2008 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed one million dollars or;

(b) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2009 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$500,000 dollars or;

(c) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

2. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline

health insurance for other reasons. These records are subject to review and audit by a representative of the state.

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

4. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it), these requirements shall apply the first day of the second month after the offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000, \$500,000 or \$1,000,000.

29. Campaign Contribution Disclosure Form

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

30. Disclosure Regarding Responsibility

- A. Any prospective Bidder/Offeror (hereafter Offeror) and any of its Principals who seek to enter into a contract greater than twenty thousand dollars (\$20,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agree to disclose whether they, or any principal of their company:
- a. Are presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
 - b. Have within a three-year period preceding this offer, been convicted of or had civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract; violation of Federal or state antitrust statutes related to the submission of offers; or commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;
 - c. Are presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with, commission of any of the offenses enumerated in paragraph B of this disclosure; or
 - d. Have preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied.
- B. Taxes are considered delinquent if both of the following criteria apply:
- a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
 - c. Have within a three year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.

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

31. Conflict of Interest; Governmental Conduct Act

The offeror warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement. The offeror certifies that requirements of the Governmental Conduct Act, Sections 10-16-1 through 10-16-18, NMSA 1978, regarding contracting with a public officer or state employee or former state employee, have been followed.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Each Offeror shall submit only one proposal.

B. NUMBER OF COPIES

Offerors shall provide one (1) original and four (4) identical copies of their proposal (**Binder 1**); one (1) original and four (4) copies of the cost proposal (**Binder 2**); and one (1) original and four (4) identical copies of supporting technical documentation (**Binder 3**) to the location specified in Section I, Paragraph E on or before the closing date and time for receipt of proposals.

C. PROPOSAL FORMAT

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

1. Proposal Organization

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

- Binder #1
 - Letter of Transmittal
 - Table of Contents
 - Summary of Proposed Services
 - Response to Mandatory Specifications

- Binder #2
 - Response to Terms and Conditions
 - Offeror's Additional Terms and Conditions (optional)
 - Cost/Pricing Proposal Form
 - Campaign Contribution Disclosure Form (Appendix D)
 - New Mexico Employees Health Coverage Form (Appendix E)

- Binder #3 (Optional)
 - Other Supporting Material

Within each section of their proposal, offerors should address the items in the order in which they appear in this RFP. All forms provided in the 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 with the cost response form.

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

The proposal summary may be included by offerors to provide the Evaluation Committee with an overview of the technical and business features 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.

2. Letter of Transmittal

Each proposal must be accompanied by a Letter of Transmittal. The Letter of Transmittal must be completed and must be signed by a person authorized to obligate the company. The Letter of Transmittal MUST:

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

3. Consortium

If the proposer is a consortium of Independent Public Accountants (IPA), the qualifications of each IPA comprising the consortium should be separately identified as well as the roles each IPA will play with the audit of the Agency. In addition, consortiums must identify an IPA to serve as the principal auditor. The principal auditor must accept responsibility for resolving all operational and contractual issues with the Agency and compile the financial statements for the Agency and component units.

IV. SPECIFICATIONS

A. INFORMATION

1. Agency Resources

The following resources will be provided to contractor personnel during the performance of this contract:

- Office space
- Desks, telephone
- Computer internet connection
- Access to SHARE at the appropriate level
- Access to copiers and fax machines

2. Work Performance

For the purpose of preparing proposals, offerors are to assume that on-site work will be performed at the location identified below. However, there may be a need to also visit the program divisions to review files.

New Mexico Department of Veterans Services
Administrative Services Division
Bataan Building
407 Galisteo St, RM #142
Santa Fe, NM 87501

3. Detailed Scope of Work

Deliverables that the Independent Public Accountant (IPA) is responsible for providing include:

- 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 – draft copy to be completed and submitted to the department management for review two weeks before the submission due date established by the Office of the State Auditor.
- c. Final Audit Report – to be submitted to the Office of the State Auditor, and the Audit & Accounting Bureau Chief.
- d. Secretary of the Department of Finance and Administration on or before the required due date as mandated by the State Audit Rule– Including Independent Auditor’s Report; Management Discussion and Analysis; Financial Statements; Financial Statements Footnotes; Supplemental Schedules; Schedule of Expenditures of Federal Awards; Audit Findings; Status of Prior Year Findings; and all other materials required by Federal and/or State audit oversight entities.
- e. IPA to conduct Audit Progress Meetings, at least bi-weekly, with the Department’s financial and executive 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 Audit Schedule with milestones that meets the criteria established by DFA.

g. IPA to provide other audit related procedures, and information as requested and/or required by the Department's management, or Federal oversight agencies; Office of the State Auditor; State Treasurer's Office; Department of Finance and Administration; and the Legislative Finance Committee.

h. IPA to present the audit report to the Department's executive and financial staff, and the Office of the State Auditor, at the exit conference. The Department's executive management may require audit workshop(s) to review the annual audit report and any areas of interest or concern regarding the Department's annual audit.

i. IPA to prepare the federally-required "Data Collection Form" and provide it to the ASD Director, no later than 30 days after release of the audit report by the Office of the State Auditor, for transmittal to the Federal Audit Clearinghouse.

4. Time Frame

The contract is scheduled to begin no later than August 15, 2018. The final draft of the contract deliverables are to be completed no later than the required deadline as prescribed by the Audit Rules found at NMAC 2.2.2.

B. BUSINESS SPECIFICATIONS

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

1. Independence (Mandatory)

In a narrative format, Offeror must provide an affirmative statement that it is independent of the Agency as defined by the U.S. General Accounting Office's *Government Auditing Standards* (1998).

The offeror must also list and describe the offeror's professional relationship involving the Agency for the past five (5) years, together with a statement explaining why such relationship does not constitute a conflict of interest relative to performing the proposed audit.

2. Firm Capability & Capacity

State the size of the firm, size of the 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 employed in this engagement on a full-time basis, and the number and nature of the staff to be employed on a part-time basis.

Offerors are also to submit a copy of the report of its most recent external quality control review (peer review) and a statement whether that quality review included a review of specific governmental engagements.

Provide the results of any Federal or State of New Mexico desk reviews, or field reviews of its audits during the last three (3) years and disclose any circumstances and status of disciplinary actions taken or pending with state regulatory bodies or professional organizations.

Offerors should also provide a copy of the profile submitted to the Office of the State Auditor, in accordance with NMAC 2.2.2; and a list of subcontractors, including qualifications and area(s) of responsibility.

3. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in New Mexico.

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. Offeror should include the name of the principal member or officer of the offeror who will be responsible for the administration of the contract and an organization 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.

4. General Audit Approach

Offerors should provide a work plan with milestones that includes audit timing and an explanation of the methods and technologies that will be used to perform the services required. The work plan should reference sources of information such as the Agency's budget and related materials, organizational charts, manuals and programs, financial and other management information systems.

5. Identification of Anticipated Potential Audit Problems

Offeror must identify any anticipated potential audit problems, resolutions approach, and any assistance that will be requested from the Agency in order to meet the audit submission deadline and preclude the necessity for scope expansion and/or contract amendments.

6. License to Practice in New Mexico (Mandatory)

Offeror must be licensed to practice public accounting in New Mexico. A statement of concurrence and a copy of the applicable license(s) are required. In addition, all offeror-IPAs must appear on the Office of the State Auditor's list of IPAs eligible to conduct State agency audits for the State of New Mexico. A statement of concurrence is required.

7. Prior Engagements with the State of New Mexico (Mandatory)

Offerors must list all engagements within the last five (5) calendar years, ranked on the basis of total staff hours, for the State of New Mexico by type of engagement (i.e. audit, management advisory services, other). For each engagement, the offeror shall indicate the scope of work, beginning and ending dates that the engagement was performed, and the **name and telephone number of the principal client contact.**

8. References (Mandatory)

Offerors should provide a minimum of three (3) references from similar projects performed for private, state or large local government clients within the last three years. **Offerors are required to submit the Organizational Reference Questionnaire, found in Appendix F, to the business references they list. The business references must then submit that Questionnaire directly to the Procurement Manager (see Section I, Paragraph E).** It is the Offeror's responsibility to ensure the completed forms are received on or before the **July 15, 2018** deadline for inclusion in the evaluation process.

Organizational References that are not received or are not complete may adversely affect the vendor's score in the evaluation process. The Evaluation Committee may contact any or all business references for validation of

information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the right to consider any and all information available to it (outside of the Business Reference information required herein), in its evaluation of Offeror's qualifications, per Section II, Paragraph C.18.

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

- a) Client name;
- b) Project description;
- c) Project dates (starting and ending);
- d) Technical environment (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);
- e) Staff assigned to reference engagement that will be designated for work per this RFP; and
- f) Client project manager name, telephone number, fax number and e-mail address.

9. Cost Proposal

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

The Offeror shall provide a separate breakout of the following:

- Hourly rates to be charged by type of personnel, if applicable.
- Monthly rate and number of hours estimated to complete the scope of services (this may be presented in phases of work).
- Additional items to be included in cost, such as travel, per diem, applicable overhead, etc.
- 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 each proposal as it is being evaluated. The quotient derived from this calculation is then multiplied by 15 and produces the final point total for that particular cost proposal.

$$\frac{\text{Lowest Proposal Cost}}{\text{This Offeror's Cost}} \times 15 = \text{Awarded Points}$$

10. New Mexico Employees Health Coverage Form (Mandatory)

The Offeror must agree with the terms and submit a signed New Mexico Employees Health Coverage Form with the submittal of their proposal. (See Appendix E).

11. Campaign Contribution Disclosure Form (Mandatory)

The Offeror must complete and include the Campaign Contribution Disclosure Form with the submittal of their proposal. (See Appendix D).

12. Resident Business or Resident Veteran Business Preference

To be awarded these points, offerors must include with their proposal a copy of their Resident Business or Resident Veteran Business Certificate issued by the New Mexico Taxation and Revenue Department.

V. EVALUATION

A. EVALUATION POINT TABLE/SUMMARY

The following is a summary of Section IV specifications identifying points assigned to each item. These weighed factors will be used in the evaluation of offeror proposals. Only finalist offerors will receive points for an oral presentation and demonstration.

	Factor	Points Available
1	Independence	Pass/Fail
2	Firm Capability & Capacity	Up to 25 points
3	Partner, Supervisory, & Staff Qualifications	Up to 25 points
4	General Audit Approach	Up to 10 points
5	Identification of Anticipated Potential Audit Problems	Up to 15 points
6	License to Practice in New Mexico	Pass/Fail
7	Prior Engagements with the State of New Mexico	Pass/Fail
8	References	Pass/Fail
9	Cost Proposal	Up to 15 points
10	NM Employees Health Coverage	Pass/Fail
11	Campaign Contribution Disclosure	Pass/Fail
12	Resident Business or Resident Veteran Business	Up to 10 points
	Total	100

B. EVALUATION FACTORS

Points will be awarded on the basis of the following evaluation factors:

All Mandatory Factors will be evaluated on a “Pass-Fail” basis. Failure to include a Mandatory Factor will result in disqualification of the proposal.

1. Independence (Pass/Fail)

In a narrative format, offeror must provide an affirmative statement that it is independent of the Agency as defined by the U.S. General Accounting Office’s *Governmental Audit Standards* (1998).

The offeror must also list and describe the offeror’s professional relationship involving the Agency for the past five (5) years, together with a statement explaining why such relationship does not constitute a conflict of interest relative to performing the proposed audit.

2. Firm Capability & Capacity (Up to 25 Points)

State the size of the firm, size of the 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 employed in this engagement on a full-time basis, and the number and nature of the staff to be employed on a part-time basis.

Offerors are also to submit a copy of the report of its most recent external quality control review (peer review) and a statement whether that quality review included a review of specific governmental engagements.

Provide the results of any Federal or State of New Mexico desk reviews, or field reviews of its audits during the last three (3) years and disclose any circumstances and status of disciplinary actions taken or pending with state regulatory bodies or professional organizations.

Offerors should also provide a copy of the profile submitted to the Office of the State Auditor, in accordance with NMAC 2.2.2 ; and a list of subcontractors, including qualifications and area(s) of responsibility.

3. Partner, Supervisory and Staff Qualifications and Experience (Up to 25 Points)

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in New Mexico.

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. Offeror should include the name of the principal member or officer of the offeror who will be responsible for the administration of the contract and an organization 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.

4. General Audit Approach (Up to 10 Points)

Offerors should provide a work plan with milestones that includes audit timing and an explanation of the methods and technologies that will be used to perform the services required. The work plan should reference sources of information such as the Agency's budget and related materials, organizational charts, manuals and programs, financial and other management information systems.

5. Identification of Anticipated Potential Audit Problems (Up to 15 Points)

Offeror must identify any anticipated potential audit problems, resolutions approach, and any assistance that will be requested from the Agency in order to meet the audit submission deadline and preclude the necessity for scope expansion and/or contract amendments.

6. License to Practice in New Mexico (Pass/Fail)

Offeror must be licensed to practice public accounting in New Mexico. A statement of concurrence and a copy of the applicable license(s) are required. In addition, all offeror-IPAs must appear on the Office of the State Auditor's list of IPAs eligible to conduct State agency audits for the State of New Mexico. A statement of concurrence is required.

7. Prior Engagements with the State of New Mexico (Pass/Fail)

Offerors must list all engagements within the last five (5) calendar years, ranked on the basis of total staff hours, for the State of New Mexico by type of engagement (i.e. audit, management advisory services, other). For each engagement, the offeror shall indicate the scope of work, beginning and ending dates that the engagement was performed, and the **name and telephone number of the principal client contact.**

8. References (Pass/Fail)

Offerors should provide a minimum of three (3) references from similar projects performed for private, state or large local government clients within the last three years. Organizational References that are not received or are not complete may adversely affect the vendor's score in the evaluation process. The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information.

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 proposals. Obsolete or wrong contact information could result in a zero score in this category.

9. Cost Proposal (Up to 15 Points)

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

The Offeror shall provide a separate breakout of the following:

- Hourly rates to be charged by type of personnel, if applicable.
- Monthly rate and number of hours estimated to complete the scope of services (this may be presented in phases of work).
- Additional items to be included in cost, such as travel, per diem, applicable overhead, etc.

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 each proposal as it is being evaluated. The quotient derived from this calculation is then multiplied by 15.

$$\frac{\text{Lowest Proposal Cost}}{\text{This Offeror's Cost}} \times 15 = \text{Awarded Points}$$

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

The Offeror must agree with the terms and submit a signed New Mexico Employees Health Coverage Form with the submittal of their proposal. (See Appendix E)

11. Campaign Contribution Disclosure Form (Pass/Fail)

The Offeror must complete and include the Campaign Contribution Disclosure Form with the submittal of their proposal. (See Appendix D)

12. Resident Business or Resident Veteran Business Preference (Up to 10 points)

To be awarded these points, offerors must include with their proposal a copy of their Resident Business or Resident Veteran Business Certificate issued by the New Mexico Taxation and Revenue Department.

C. EVALUATION PROCESS

The evaluation process will follow the steps listed below:

1. All offeror proposals will be reviewed for compliance with the mandatory requirements stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the offeror for clarification of the response as specified in Section IV, Paragraph B.8.
3. The Evaluation Committee may use other sources of information to perform the evaluation.
4. Responsive proposals will be evaluated on the factors in Section V that have been assigned a point value. The responsible offerors with the highest scores will be selected as finalist offerors based upon the proposals submitted. Finalist offerors who are asked or choose to submit revised proposals for the purpose of obtaining best and final offers will have their points recalculated accordingly. Points awarded from the oral presentations will be added to the previously assigned points to attain final scores. The responsible offeror whose proposal is most advantageous to the Agency, taking into consideration the evaluation factors in Section V, will be recommended for contract award. 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

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

This acknowledgement of receipt should be signed and returned to the Procurement Manager no later than Close of Business on **June 22, 2018**. Only potential offerors who elect to return this form completed with the intention of submitting a proposal will receive copies of all offeror written questions and the Agency's 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 Proposals.

APPENDIX B. SAMPLE CONTRACT/AGREEMENT TERMS AND CONDITIONS
STATE OF NEW MEXICO
AUDIT CONTRACT
(State Agencies with DFA Approval)

This CONTRACT is made and entered into this _____ day of _____, 2018, by and between the _____, hereinafter referred to as the “Agency”, and _____, hereinafter referred to as the “Contractor”, and is effective as of the date upon which it is approved by the Office of the State Auditor, hereinafter referred to as “State Auditor” and the New Mexico Department of Finance and Administration.

As required by the Audit Rule, 2.2.2 NMAC, Contractor agrees to, and shall inform the Agency of any restriction placed on Contractor by the Office of the State Auditor, pursuant to Subsection E of Section 2.2.2.8 NMAC, and whether the Contractor is eligible to enter into this contract with the restriction.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. SCOPE OF WORK

A. The Contractor shall conduct a financial and compliance audit of the following applicable statements and schedules of the Agency for the period from **July 1, 2017 through June 30, 2018:**

1. Basic Financial Statements consisting of the government-wide financial statements, fund financial statements, budgetary comparison statements for the general fund and major special revenue funds (GASB 34, footnote 53), and the notes to the financial statements;
2. Required supplemental information (RSI), if applicable, consisting of budgetary comparison schedules for the general fund and major special revenue fund data presented on a fund, organization, or program structure basis because the budgetary information is not available on the GAAP fund structure basis for those funds (GASB Statement No. 41, Budgetary Comparison Schedules—Perspective Differences an amendment of GASB Statement No. 34) must be audited and included in the auditor’s opinion (AAG-SLV 14.52); and
3. Supplemental Information (SI) that must be audited and included in the auditor’s opinion (AAG-SLV 14.52), if applicable, consisting of:
 - a) Component unit fund financial statements and related combining statements (if there are no separately issued financial statements on the component unit per AAG-SLV 3.20);
 - b) Combining financial statements;
 - c) Individual fund budget comparison statements for remaining funds that have an adopted budget, including proprietary funds, that did not appear as basic financial statement budget comparisons for the general fund, major special revenue funds or as RSI as described above; and
 - d) Remaining supplemental information schedules as required by Paragraph (2) of Subsection A of Section 2.2.2.10 NMAC.

B. The contractor shall apply certain limited procedures to the following required supplemental information (RSI), if applicable, and report deficiencies in or the omission of required information in accordance with the requirements of AU-C730.05 to 730.09:

1. The Management Discussion and Analysis (MD&A);

2. RSI data required by Statements 25, 27, 43 and 45 regarding pension plans and post-employment healthcare plans administered by defined benefit pension plans; and
3. Schedules derived from asset management systems (GASB 34, paragraphs 132 to 133).

C. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, OMB Circular A133, and Requirements for Contracting and Conducting Governmental Audits (2.2.2 NMAC).

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 (60) 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 accordance with Section 2.2.2.9 NMAC:

1. an organized, bound and paginated hard copy of the Agency's audit report for review;
2. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580;
3. a list of the passed adjustments required by AU-C 580.14; and
4. a copy of the completed State Auditor Report Review Guide available at www.saonm.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 November 1, 2018**. 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 Section 2.2.2.9 NMAC. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with Subsection C of Section 2.2.2.13 NMAC. If copies of the engagement letter, management representation letter, list of past adjustments and the completed Report Review Guide are not received by the State Auditor with the audit report or prior to submittal of the audit report, the report will not be considered submitted to the State Auditor.

D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency. The Agency's oversight agency should also be notified, but confidential audit information shall be omitted from that notification.

E. Pursuant to Section 2.2.2.8 NMAC, the Contractor shall prepare a written and dated engagement letter which identifies the specific responsibilities of the Contractor and the Agency. The Contractor shall submit to the State Auditor an electronic copy of the signed and dated engagement letter and a list of client prepared documents with expected delivery dates within ten (10) days of the entrance conference.

F. After its review of the audit report pursuant to Section 2.2.2.13 NMAC, the State Auditor will authorize the Contractor to print and submit the final audit report. Within two business days from the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor with **TWO** copies of the report and an electronic version of the audit report, in PDF format. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver ten (10) copies of

the audit report to the Agency. 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 the required copies of the data collection form, audit report and corrective action plan to the federal clearinghouse designated by the Office of Management and Budget and each federal awarding agency if the schedule of findings and questioned costs disclose audit findings directly related to federal awards.

3. COMPENSATION

A. The total amount payable by the Agency to the Contractor under this agreement, including New Mexico gross receipts tax, shall not exceed _____.

B. Contractor agrees not to, and shall not, perform any services in furtherance of this contract prior to approval by the State Auditor. In accordance with Subsection A of Section 12-6-14 NMSA 1978 and Paragraph (1) of Subsection M of Section 2.2.2.8 NMAC, Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this contract prior to approval by the State Auditor.

C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	
(2) Federal single audit	
(3) Financial statement preparation	
(4) Other non-audit services, such as depreciation schedule updates	
(5) Other (i.e., foundations or other component units, specifically identified)	
Gross Receipts Tax =	
Total Yearly Compensation =	

The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this agreement and invoiced by the Contractor.

D. Pursuant to Section 12-6-14 NMSA 1978 and Subsection M of Section 2.2.2.8 NMAC, 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 69% 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 the 69% payment. Progress payments from 70% to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor’s previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. TERM

A. 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 18, infra, this Contract shall terminate on **June 30, 2019**.

B. This Contract may be extended for two successive one-year terms at the same price, terms and conditions as stated in the original proposal by mutual agreement of both parties and approval of the State Auditor and the Department of Finance and Administration, pursuant to Paragraph 3 of Subsection F of Section 2.2.2.8 NMAC.

5. TERMINATION, BREACH AND REMEDIES

A. This Contract may be terminated, without cause, by either of the parties upon written notice delivered to the other party at least ten (10) days prior to the intended date of termination. This Contract may be terminated immediately by either of the parties upon written notice delivered to the other party if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the audit report in accordance with Paragraph 2, supra, shall constitute a material breach of this Contract. The Agency may immediately terminate this Contract upon written notice to the Contractor pursuant to Paragraph 18, infra. Pursuant to Subsection O of Section 2.2.2.8 NMAC, the State Auditor also may immediately terminate this Contract upon written notice to the Contractor after determining that the audit has been unduly delayed, or for any other reason. By termination pursuant to this Paragraph, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. **THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE CAUSED BY THE CONTRACTOR'S DEFAULT OR BREACH OF THIS CONTRACT.**

B. If the Agency terminates this Contract under this paragraph, 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 as provided in Paragraph 3(D), supra. If the Contractor terminates this Contract under this paragraph, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. If the Agency or the Contractor terminates this Contract pursuant to this paragraph, the party that terminates the Contract shall immediately send the State Auditor and the Department of Finance and Administration written notice of the termination.

D. 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.

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. RECORDS AND AUDIT

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 from the date of final payment under this contract. The records shall be subject to inspection by the Agency

and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

9. RELEASE

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, its 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.

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

11. 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 the audited financial statements on their respective websites once it is publicly released by the State Auditor. The Contractor agrees that the FCD of DFA is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However DFA should not be providing the draft audit report including opinion letters or findings.

12. CONFLICT OF INTEREST

The Contractor 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. The Contractor certifies that 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 have been followed as required by the applicable professional standards.

13. INDEPENDENCE

The Contractor affirms and represents 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 Subsection L of Section 2.2.2.8 NMAC. 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.

14. AMENDMENT

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and 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, and Subsection N of Section 2.2.2.8 NMAC.

15. MERGER

This Contract incorporates 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 Section 2.2.2.8 NMAC, consistent with Generally Accepted 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.

16. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Contract.

17. 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.

18. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Contract. If sufficient appropriations and authorization are not made by the Legislature, this Contract shall terminate upon written notice being given by the Agency to the Contractor. 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.

19. 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.

20. EQUAL OPPORTUNITY COMPLIANCE

The Contractor agrees to 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 agrees to take appropriate steps to correct these deficiencies.

21. 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 from 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 State Auditor.

B. The working papers of a predecessor Contractor are to be made available to a successor Contractor in accordance with AU-C 210.11 and 210.12. Any costs incurred are to be borne by the requestor Contractor.

22. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is **November 1, 2018**. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

23. 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.

24. EMPLOYEE PAY EQUITY REPORTING

A. The Contractor agrees 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, to 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 must 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 also agrees to 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. Should the Contractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor agrees to 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 also agrees to levy 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. The Contractor further agrees 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, the Contractor will 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. Notwithstanding the foregoing, 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.

25. OTHER PROVISIONS

If no other provisions are listed in this section, the remainder below is intentionally left blank.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date first written above.

AGENCY

NAME: _____
BY: _____
TITLE: _____
DATE: _____

CONTRACTOR

NAME: _____
BY: _____
TITLE: _____
DATE: _____

AGENCY LEGAL COUNSEL

NAME: _____
BY: _____
TITLE: GENERAL COUNSEL
DATE: _____

AGENCY CFO

NAME: _____
BY: _____
TITLE: CHIEF FINANCIAL OFFICER
DATE: _____

This Contract has been approved by:

This Contract has been approved by:

STATE AUDITOR

DEPT. OF FINANCE & ADMINISTRATION

NAME: _____

NAME: _____

BY: _____

BY: _____

TITLE: _____

TITLE: CONTRACT REVIEW BUREAU

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 TREASURER CONTRACT NO. 18-_____

APPENDIX C. COST RESPONSE FORM

SERVICES	AMOUNTS
(1) DVS-Financial statement audit	
(2) DVS-Federal single audit	
(3) DVS-Financial statement preparation	
(4) DVS-Other non-audit services, such as depreciation schedule updates	
(5) Gross Receipts Tax =	
(6) Total Yearly Compensation =	

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

Furthermore, the state agency or local public body may cancel a solicitation or proposed award for a proposed contract 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 of the Procurement Code if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

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 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 or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or a small purchase contract.

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

Name(s) of Applicable Public Official(s) if any: _____

(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s): _____

Nature of Contribution(s): _____

Purpose of Contribution(s): _____

(Attach extra pages if necessary)

Signature Date

Title (position)

--OR--

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

Signature Date

Title (Position)

APPENDIX E. NEW MEXICO EMPLOYEES HEALTH COVERAGE FORM

1. For all contracts solicited and awarded on or after January 1, 2008: If the offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, offeror must agree to:
 - (a) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2008 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed one million dollars or;
 - (b) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2009 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$500,000 dollars or
 - (c) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.
2. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the state.
3. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information <http://insurenemexico.state.nm.us/>.
4. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000, \$500,000 or \$1,000,000.

Signature of Offeror: _____ Date _____

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 qualifications.

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: Danelle Lucero, Chief Procurement Officer, by **July 15, 2018**, for inclusion in the evaluation process. The form and information provided will become a part of the submitted proposal. Business references may be contacted for validation of content provided therein.

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

(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 Department of Veterans Services (DVS) Office via facsimile or e-mail at:

Name: Danelle Lucero, Chief Procurement Officer
Address: 407 Galisteo Street, Room 142
Santa Fe, NM 87501

Telephone: 505-827-6365
Fax: 505-827-6372
Email: Danelle.Lucero@state.nm.us

This form must be received by DVS no later than **July 15, 2018** and **must not** be returned to the company requesting the reference.

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

Company providing reference:	
Contact name and title/position:	
Contact telephone number:	
Contact e-mail address:	
Project description:	
Project dates (starting and ending):	
Technical environment of the project for which you are providing a reference: (i.e., software applications, internet capabilities, data communications, network, hardware):	

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: