



# FEATHER RIVER COMMUNITY COLLEGE DISTRICT

570 Golden Eagle Ave., Quincy CA 95971

## **REQUEST FOR PROPOSALS** **RFP# 202301** **INDEPENDENT AUDIT SERVICES**

**Please submit proposals for the following services:**

Notice is hereby given that the Feather River Community College District will receive proposals for Independent Audit Services at the Feather River Community College District's Business Office in Quincy, California no later than **5 p.m. on Friday March 3, 2023.**

Submit electrically to: [mturner@frc.edu](mailto:mturner@frc.edu)

Or, hardcopy to: Feather River Community College District  
Business Services  
570 Golden Eagle Ave  
Quincy CA 95971

## INTRODUCTION

The Feather River Community College District (District) is currently soliciting Requests for Proposals (RFP) to secure a single vendor (Vendor) to provide independent audit services for the years ended June 30, 2023 and 2024 with an option to extend services upon mutual agreement, for three (3) succeeding years thereafter. The District intends to contract with a single firm under a fixed-price contract to provide the requested annual audit services. Firm prices are requested for the Annual Audit for the fiscal years ending June 30, 2023 and 2024, and the three (3) succeeding fiscal years thereafter.

The District, established in 1968, consists of one campus in Quincy, California and serves approximately 1,600 full-time equivalent students (FTES) annually.

## SCOPE OF WORK

Vendor shall provide independent audit services for the District which will include an audit of the District's basic financial activity, including the Feather River College Foundation (Foundation).

Education Code, Section 84040, requires that community college districts provide for an annual audit of the books and accounts of the District and include all funds of the District including associated students, food service, accounts and other funds under the control or jurisdiction of the District. Thus, the scope of work shall be independent audit services of the general purpose financial statements, including all funds and Balance Sheet accounts, of the District. The audit opinion should include entity-wide statements as well as each individual fund.

The audit shall be conducted in accordance with generally accepted auditing standards, Governmental Auditing Standards issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments, and Non-Profit Organizations" which involves obtaining an understanding of the internal control structure, including the control environment, the accounting system, and the control procedures established by management, and the California Community College Chancellor's Office Contracted District Audit Manual.

The selective financial and statistical information related to fiscal year 2021/22 are as follows:

Credit FTES:	1,416
Noncredit FTES:	45
Nonresident FTES:	196
Approximate number of Full Time Employees:	160

Total Audited Financial Results for fiscal year 2021/22:

Net Revenues:	\$32,100,000
Expenditures and Transfers:	\$26,600,000

Ending Fund Balance: \$15,600,000

Total Budgeted Expenditures for fiscal year 2022/23: \$42,200,000

Number of Federal Programs in fiscal year 2021/22: 19

Number of State Programs in fiscal year 2021/22: 55

The District utilizes the following funds:

- Unrestricted General Fund
- Restricted General Fund
- Child Development Center
- Capital Projects
- Retiree Benefits Fund
- Student Representation Fee
- Student Financial Aid
- Bookstore
- Associated Student Body

The accounting policies of the District are in conformity with general accepted accounting principles related to governmental units and California Community College Districts. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred, except for interest on long-term debt, which is recognized when due.

#### **NATURE OF SERVICES REQUIRED**

1. Audit of the District's basic financial statements, including the Foundation.
2. Preparation of accompanying notes to financial statements.
3. Provide general guidance on California Community College accounting-related issues.

#### **REPORTING REQUIREMENTS**

At a minimum, the following reports should be issued for the District:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Statement of Net Position (District and Foundation, Discretely Presented)

- Statement of Revenues, Expenses, and Changes in Net Position (District and Foundation, Discretely Presented)
- Statement of Cash Flows (District and Foundation, Discretely Presented)
- Notes to Basic Financial Statements
- Schedule of Changes in the District's Total OPEB Liability
- Schedule of the District's Proportionate Share of the Net Pension Liability
- Schedule of the District's Contributions – Pension
- Note to Required Supplementary Information
- Combining Statement of Net Position by Fund – Unaudited
- Combining Statement of Revenues, Expenses, and Change in Net Position by Fund – Unaudited
- Schedule of Expenditures of Federal Awards
- Schedule of Expenditures of State Awards
- Schedule of Workload Measures for State General Apportionment
- Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Financial Statements
- Reconciliation of Governmental Funds to the Statement of Net Position
- Reconciliation of ECS 84362 (50 Percent Law) Calculation
- Prop 55 EPA Expenditure Report
- Independent Auditor's Report on State Compliance Requirements
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance as Required by Uniform Guidance
- Schedule of Audit Finding and Questioned Costs
- Status of Prior Year Findings and Recommendation

#### **ASSISTANCE AVAILABLE TO RESPONDENT**

1. The audits for the recent fiscal years were made by Crowe LLP and are available for review at the District's Business Office or on the District's website at [www.frc.edu/businessservices/purchasing](http://www.frc.edu/businessservices/purchasing)
2. The District's Fiscal Services staff can prepare schedules, reproduce documents, pull documents, etc.
3. The District will provide a work area for the auditor, which is located near the records to be audited.

#### **EXIT CONFERENCE REQUIREMENTS**

The District will require an audit exit conference with the Superintendent/President, Vice President of Business Services, and other staff as appropriate. The auditing firm will be expected to provide progress reports to the Vice President of Business Services throughout the audit cycle and meet with Vice President of Business Services two (2) times during the year to review audit issues and the final audit report.

Finally, the District will expect the auditing firms to provide a presentation to the Board of Trustees on the audit process and findings when the report is presented to them.

### **REPORT REQUIRED**

Twenty-five copies of the audit report are required. The report should meet the following minimum requirements:

1. The audit report shall state that the audit was conducted in accordance with the provisions of the OMB Circular A-133.
2. The audit report shall include at least:
  - a. The auditor's opinion report on the financial statements and on a schedule of federal assistance, showing the total expenditures for each federal assistance program as identified in the Catalog of Federal Domestic Assistance and all other federal programs and grants which have not been assigned catalog numbers, and a schedule of state awards.
  - b. The auditor's report on the study and evaluation of internal control systems, and it must identify the organization's significant internal accounting controls, and those controls designed to provide reasonable assurance that federal programs are being managed in compliance with laws and regulations. The report must identify the controls, which were not evaluated, and the material weaknesses and/or significant deficiencies identified as a result of the evaluation.
  - c. The auditor's report on compliance containing;
    - 1) A Statement of positive assurance with respect to those items tested for compliance with laws, rules and regulations pertaining to non-major programs and other items which could have a material effect on financial reports and claims for advances and reimbursements. In addition, the auditor's report must disclose whether the District h with laws and regulations that may have a material effect on each major federal assistance program.
    - 2) A statement of negative assurance on those items not tested.
    - 3) A summary of all instances on noncompliance.
    - 4) An identification of total amounts of costs questioned, if any, for each federal and state assistance award as a result of noncompliance.
    - 5) Other statements or reports to satisfy state and local governments' requirements.
  - d. The format of the financial statement shall include the latest Governmental Accounting Standards Board (GASB) statements.

All parts of the audit report should be bound together. The management report should be submitted and included as part of the above audit report. Reports on fraud, abuse, or illegal acts or indications of such acts, including all questioned costs found as the result of these acts, should be covered by separate written report to the federal department or agency. Also, the Vice

President of Business Services, from time to time, may request written reports on observations by the Auditor regarding the effective performance of fiscal and budgetary practices.

### **AUDIT SERVICE TIME REQUIREMENTS**

Audit field work can be performed each year between the approximate dates below:

1. Interim work prior to closing accounts: May 15 – June 15
2. Post-closing work: October 1 – October 15

Preliminary report completion and exit conference no later than: November 15

Final report submission each year: November 30

Final report presentation to Board of Trustees will be in December each year.

### **RFP TIMELINE OF CRITICAL DATES**

Request for Proposals Advertisement:	February 2, 2023
Deadline for Questions Regarding RFP:	February 21, 2023
District Response to Submitted Questions:	February 27, 2023
Proposals DUE:	March 3, 2023
Interviews:	March 8-10, 2023
Recommendation to Board:	March 15, 2023
Board Approval:	April 20, 2023

*\*Dates may change with or without notice*

### **SUBMITTAL REQUIREMENTS**

Questions regarding this RFP must be submitted to the District on or before 5:00 p.m. on Tuesday, February 21, 2023. Only questions received by this date/time will receive a response.

Submit questions directly to Morgan Turner at [mturner@frc.edu](mailto:mturner@frc.edu)

Responses to ALL questions submitted by the deadline will be available via email response by 5:00 p.m. on Tuesday, February 27, 2023.

Proposals must be received on or before 5:00 p.m. on Friday, March 3, 2023. Proposals received after this date and time may not be accepted by the District.

Please submit one (1) hard copy of the Proposal in a sealed envelope identified as “RFP #202301 – Independent Audit Services” with the Vendor's name and address to: Feather River Community College District, Business Services, Attn: Morgan Turner, 570 Golden Eagle Ave, Quincy, Ca 9597. Or one (1) electronic pdf file via email to [mturner@frc.edu](mailto:mturner@frc.edu). All proposals must include the following information and be organized as described below.

## **I. COVER LETTER/LETTER OF INTEREST (0-10 points)**

The individual who is authorized to bind the Vendor's business contractually, must sign the cover letter. The letter must indicate the signer is so authorized and must indicate the title or position that the signer holds in the Vendor's firm. An unsigned cover letter shall cause the Proposal to be rejected. The cover letter must contain a statement that the Vendor acknowledges that all documents submitted pursuant to this RFP process will become a matter of public record. The letter must also contain the following:

1. The Vendor's name, address, email, telephone, and facsimile number.
2. The name, title or position, and telephone number of the individual signing the cover letter.
3. A statement indicating the signer is authorized to bind the Vendor contractually.
4. The name, title or position, and telephone number of the primary contact and/or account administrator, if different from the individual signing the cover letter.
5. A statement to the effect that the Proposal is a firm and irrevocable offer, good for six (6) months.
6. A statement expressing the Vendor's willingness to perform the services as described in this RFP.
7. A statement indicating that all forms, certificates, and compliance requirements included in this RFP are completed and duly submitted in the Proposal.
8. Provide proof of Certified Public Accountant (CPA) License and that said license is in good standing for key team.
9. A statement expressing the Vendor's availability of staff, office locations, hours and other required resources for performing all services and providing all deliverables within the specified time frames as described in the RFP.
10. A statement that the Vendor will conduct the audit on-site (versus virtually) during the field work phases of the audit.

## **II. VENDOR INFORMATION (0-30 points)**

### **PROFILE OF THE INDEPENDENT AUDITOR**

The profile of Vendor should include general background information, such as:

1. The organization and size of the firm, whether it is local, regional, national, or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff, by staff level, employed at that office.
3. A description of the range of activities performed by the local office such as auditing, accounting, tax service, or management services.
4. A positive statement that the following mandatory criteria are satisfied:
  - a) An affirmation that the Vendor is properly licensed for practice as a Certified Public Accountant.
  - b) An affirmation that the Vendor meets the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, 1981 revision, published by the U.S. General Accounting Office.
  - c) An affirmation that the Vendor does not have a Record of Substandard Audit work.

- d) An affirmation that the Vendor meets all specific requirements imposed by state or local law or rules and regulations.
- e) An affirmation from Vendor stating they will follow the American Institute of Certified Public Accountants' "Interpretation 501-3, Failure to Follow Standards and/or Procedures or other Requirements in Governmental Audits."

#### TECHNICAL EXPERIENCE

The technical experience of the Vendor should include the following information:

- 1. A list of California school district/community college district clients and give the names, e-mail addresses and telephone number of client officials responsible for the audits listed. Also, discuss local, state, and national reputation for quality work performed in the public sector.
- 2. Discuss ability to provide additional auditing, accounting, or management consulting services and provide a summary of specific projects completed both in the public sector and specifically for school districts/community college districts.

#### QUALIFICATIONS

- 1. Identify the audit partners, managers and field supervisors, and other staff who will work on audits, including staff from other than the local office. Resumes including relevant experience and continuing education for the auditor in charge up to the individual with final responsibility for the engagement should be included. (Resumes may be included as an appendix).
- 2. Provide specific details of proposed audit approach. The information should include, but is not limited to:
  - a) Sampling of techniques for transactions testing
  - b) Analytical procedures used to analyze results, and
  - c) Percentage of time to be scheduled for both preliminary and final audit work.

#### APPROACH TO THE EXAMINATION

- 1. Submit a work plan to accomplish the scope defined in the RFP. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists should be specified.
- 2. The audit work plan should completely cover what audit work will be accomplished by all the auditors to render:
  - a) An opinions report on the financial statements.
  - b) A report on the study and evaluation and report on internal control systems.
  - c) A report on the organizations' control system to assure compliance and whether the organization has complied with laws and regulations that may have an effect on each major federal assistance program.



The audit work plan should demonstrate the auditor's understanding of the audit requirements of a single audit as specified in the OMB Circular A-133 and the audit tests and procedures to be applied in completing the audit plan.

#### **REPORT REQUIREMENTS**

Vendor should state their understanding of and their ability to meet specific reporting requirements.

#### **TIME REQUIREMENTS**

If not already adequately covered in the Vendor's cover letter, the response should detail information on how the Vendor plans to meet the timeline and reporting deadline requirements of the engagement.

#### **IV. RATE/FEE SCHEDULE (0-10 points)**

For consistency and ease of Proposal review a rate/fee schedule must be submitted on the Rate/Fee Schedule Form and include the following information:

1. Total audit hours detailed by partner, senior manager, manager, field supervisor and other staff.
2. Hourly rate detailed by partner, senior manager, manager, field supervisor and other staff.
3. The maximum annual cost for the audit for each of the five (5) years.

#### **V. CERTIFICATE OF NON-DISCRIMINATION (Exhibit A)**

The Vendor shall submit a Certification of Non-Discrimination assuring that it will not discriminate in its hiring or employment practices on the grounds of race, color, sex, age, ancestry, religion, marital status, national origin, sexual orientation, gender, gender identity, gender expression, medical condition or physical or mental disability, or any other basis protected by law, in performing the work and services.

#### **VI. NON-COLLUSION AFFIDAVIT (Exhibit B)**

Vendors shall submit the Non-Collusion Declaration with its Proposal. Proposals submitted without the Non-Collusion Declaration shall be deemed non-responsive and will not be considered.

#### **VII. REFERENCES FORM (Exhibit C)**

A minimum of three (3) verifiable references preferably from a California public or private educational institution and/or California public agency shall be listed on the "References" sheet provided in this RFP. This list may include current and former clients (with reason for cancellation if applicable), with all references being able to fully comment on the Vendor's related experience.

#### **VIII. AGREEMENT TO TERMS AND CONDITIONS (Exhibit D)**

Vendors shall complete and submit the Agreement to Terms and Conditions with its Proposal. Should Vendor request edits to the Agreement for consideration, such requests must be clearly identified and submitted with its Proposal. No additional terms and conditions will be accepted

following receipt of Proposals. The District will consider such additional contractual terms and conditions as part of its evaluation process.

**IX. ADDENDA ACKNOWLEDGEMENT (Exhibit E)**

Vendors shall complete and submit the Addenda Acknowledgement form with its Proposal. It is the Vendor's responsibility for ensuring that they have received any and all Addenda. If not, they may be considered non-responsive. Vendors are to review the Notice to Vendors for instructions on how to obtain said addenda/addendums.

**X. ADDITIONAL MATERIALS**

1. Vendors may include other materials that they feel may improve the quality of their Proposal submissions and/or are pertinent to this RFP.
2. Vendors are encouraged to include letters of reference and/or testimonials in their Proposal.

**SUBMITTAL CHECKLIST**

This checklist is provided to assist in the preparation of Vendor's submission. It is only intended as a guide.

- COVER LETTER/LETTER OF INTEREST VENDOR INFORMATION
- RATE/FEE SCHEDULE
- EXHIBIT A – Certification of Non-Discrimination
- EXHIBIT B – Non-Collusion Affidavit
- EXHIBIT C - References
- EXHIBIT D – Agreement to Terms and Conditions
- EXHIBIT E – Addenda Acknowledgement
- ADDITIONAL MATERIALS (OPTIONAL)

**SELECTION PROCESS**

The District will review all proposals received by the specified deadline for completeness, content, experience, and qualifications. For those Vendors deemed most qualified, further evaluation and interviews may be conducted as part of the final selection process.

The District reserves the right to select the Vendor whose proposal and experience, in the District's sole judgment, best meet the needs of the District.

## **SELECTION CRITERIA**

Recommendations for selection will be based on the following weighted criteria of (50) possible points.

Criteria	Points
A. Cover Letter/Letter of Interest	10
B. Vendor Information	30
C. Rate/Fee Schedule	10

## **GENERAL PROVISIONS**

### **1. RESERVATION OF RIGHTS**

Feather River Community College District reserves the right to reject any or all proposals, waive any proposal informalities, irregularities, or minor omissions or cancel this RFP and reissue a new proposal if it is deemed in the best interest of the District.

### **2. CONFIDENTIALITY**

All information provided through this RFP and ensuing process will be held in confidence and will not be revealed nor discussed with any competitor until final execution of the contract(s). At that time, all documents related to this process become public records, subject to production pursuant to the California Public Information Act, except for those portions of the documents clearly marked by the Vendor as being propriety information or trade secrets and which concerns are reasonable. Pricing information shall not be considered proprietary under any circumstances, notwithstanding such an assertion by the Vendor in its submittals. Furthermore, all materials submitted shall become the property of the District.

### **3. EQUAL EMPLOYMENT OPPORTUNITY**

The District is an Equal Employment Opportunity Employer and as such requires the following: The Vendors, in submitting proposals and/or filling a purchase order, agree not to discriminate against any employee or applicant for employment with respect to hiring and tenure, terms, conditions, or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, gender, age, sexual orientation, national origin, disability, or identity as a disabled veteran or veteran of the Vietnam era to the extent required by law. The Vendors must further agree that every subcontract or order given for the supplying of this order will contain a provision requiring non-discrimination in employment, as herein specified.

### **4. ENCLOSED MATERIALS**

From the date of issuance of this RFP until the District takes final agency action, the Vendor shall not discuss the proposals or any part thereof with any employee, agent, or representative of the District except as expressly requested by the District in writing. Violation of this restriction will result in rejection of the Vendor's proposal.

## RATE/FEE SCHEDULE FORM

TO BE COMPLETED BY VENDOR AND SUBMITTED WITH PROPOSAL

Fiscal Year 2023/24	Audit Hours	Hourly Rate	Total Cost
Partner			
Manager			
Senior			
Staff			
Maximum Annual Cost			

Fiscal Year 2024/25	Audit Hours	Hourly Rate	Total Cost
Partner			
Manager			
Senior			
Staff			
Maximum Annual Cost			

Fiscal Year 2025/26	Audit Hours	Hourly Rate	Total Cost
Partner			
Manager			
Senior			
Staff			
Maximum Annual Cost			

Fiscal Year 2026/27	Audit Hours	Hourly Rate	Total Cost
Partner			
Manager			
Senior			
Staff			
Maximum Annual Cost			

Fiscal Year 2027/28	Audit Hours	Hourly Rate	Total Cost
Partner			
Manager			
Senior			
Staff			
Maximum Annual Cost			

## EXHIBIT A- CERTIFICATION OF NON-DISCRIMINATION

TO BE EXECUTED BY VENDOR AND SUBMITTED WITH PROPOSAL

Vendor hereby certifies in performing work or providing services for the District, there shall be no discrimination in its hiring or employment practices because of age, sex, race, color, ancestry, national origin, religious creed, physical or mental disability, medical condition, marital status, or sexual orientation, except as provided for in Section 12940 of the California Government Code. Vendor shall comply with applicable federal and California anti-discrimination laws, including but not limited to the California Fair Employment and Housing Act, beginning with Section 12900 of the California Government Code.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Non-Discrimination this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

VENDOR \_\_\_\_\_  
(Type or print complete legal name of Vendor)

BY \_\_\_\_\_  
(Authorized Signature)

NAME \_\_\_\_\_  
(Type or Print)

TITLE \_\_\_\_\_

## EXHIBIT B - NON-COLLUSION AFFIDAVIT

TO BE EXECUTED BY VENDOR AND SUBMITTED WITH PROPOSAL

\_\_\_\_\_, being first duly sworn, deposes and says that he or she is \_\_\_\_\_ of the party making the foregoing Proposal that the Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Proposal is genuine and not collusive or sham; that the Vendor has not directly or indirectly induced or solicited any other Vendor to put in a false or sham Proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any Vendor or anyone else to put in a sham Proposal, or that anyone shall refrain from submitting a proposal; that the Vendor has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal price of the Vendor or any other Vendor, or to fix any overhead, profit, or cost element of the Proposal price, or of that of any other Vendor, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the Proposal are true; and, further, that the Vendor has not, directly or indirectly, submitted his or her Proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, Proposal depository, or to any member or agent thereof to effectuate a collusive or sham Proposal.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

VENDOR \_\_\_\_\_  
(Type or print complete legal name of Vendor)

BY \_\_\_\_\_  
(Authorized Signature)

NAME \_\_\_\_\_  
(Type or Print)

TITLE \_\_\_\_\_

### EXHIBIT C – REFERENCES

Vendor shall provide a minimum of three (3) College/University Customer References with three (3) or more years' experience with the Vendor.

REFERENCE #1	
Name	
Address	
Telephone	
Contact	
Dates of Service	
Approx. FTES	

REFERENCE #2	
Name	
Address	
Telephone	
Contact	
Dates of Service	
Approx. FTES	

REFERENCE #3	
Name	
Address	
Telephone	
Contact	
Dates of Service	
Approx. FTES	

ATTACH ADDITIONAL SHEETS IF REQUIRED OR DESIRED

## EXHIBIT D – AGREEMENT TO TERMS AND CONDITIONS

Each Vendor must state below whether it accepts the attached Agreement and its attachments (if any) ("Agreement"). Any exceptions must be included, if at all, with Vendor's Proposal submission.

NOTE: Exceptions taken to terms and conditions may be a negative factor in evaluation of Vendor's Proposal or disqualification.

Initial the Appropriate Choice, below:

\_\_\_\_ Vendor accepts the form of Agreement without exception. OR,

\_\_\_\_ Vendor proposes exceptions/modifications to the form of Agreement. If this choice is selected, Vendor shall include all of the following:

1. Summarize any and all exceptions to the Agreement.
2. Provide written explanation to substantiate each proposed exception/modification.

VENDOR \_\_\_\_\_  
(Type or print complete legal name of Vendor)

BY \_\_\_\_\_  
(Authorized Signature)

NAME \_\_\_\_\_  
(Type or Print)

TITLE \_\_\_\_\_



### EXHIBIT E – ADDENDA ACKNOWLEDGMENT

Changes or corrections to the RFP will be issued via a numbered addendum format prior to the Proposal deadline (See - RFP Timeline of Critical Dates). Record below the number(s) and date(s) of addenda received, if applicable.

Addendum # \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum # \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum # \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum # \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum # \_\_\_\_\_ Date Received: \_\_\_\_\_

## CONTRACT FOR INDEPENDENT AUDIT SERVICES

AGREEMENT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023

BETWEEN the Owner:

Feather River Community College District  
570 Golden Eagle Ave.  
Quincy, CA 95971

and the Contractor: \_\_\_\_\_

the Project: INDEPENDENT AUDIT SERVICES, as specified

The District and the Contractor agree as set forth below.

- 1. DEFINITIONS:** "District" means the Feather River Community College District; "Contractor" means the successful bidder to whom the award will be made. The services listed in the RFP, Agreement, and in Attachment(s) are referred to as "Services."
- 2. SCOPE OF SERVICE:** Contractor shall perform the agreed-upon services as defined by the RFP and in accordance with the terms and conditions in this Agreement. Contractor's Services will be timely and performed or provided consistent with the profession skill and care of Contractor's profession and in compliance with all applicable laws and regulations.
- 3. TERM:** Contractor will begin the District's annual financial audits beginning fiscal year 2022/23 and will be in effect for a two (2) year term, for a maximum term not to exceed five (5) years. The District reserves the right to cancel or change the term of the Agreement with a 30-day written notification. Termination justifications may include but not be limited to the following: non-performance, specific to the service; funding; cost or contract term expiration issues.
- 4. FEES AND REIMBURSEMENTS:** Contractor will receive compensation in an amount not to exceed the rate/fee schedule noted in Contractor's Proposal to the RFP (Attachment 1). District will pay Contractor all amounts owed within thirty (30) days of receipt of Contractor's undisputed billing invoice. The District retains the right to increase or decrease the Services, deliverables, or amount of work as it deems appropriate and at its sole discretion.
- 5. LICENSES AND PERMITS:** Contractor and all of the Contractor's employees or agents will secure and maintain in force all licenses and permits as are required by law, in connection with the performance of the Services or the furnishing of materials, articles or deliverables listed in this Agreement. All operations and materials shall be in accordance with the law.

- 6. TAXES:** Contractor will fully complete the Internal Revenue Service W-9 form or other required reporting form. Contractor acknowledges and agrees that it is the Contractor's sole responsibility to make the requisite tax filings and payment to the appropriate federal, state or local tax authorities. The District will not withhold any part of the Contractor's compensation for the payment of social security, unemployment, or disability insurance or any other similar state or federal tax obligation. Contractor agrees to indemnify, defend, and hold the District harmless from any tax consequences.
- 7. EXPENSES AND EQUIPMENT:** Contractor is solely and fully responsible for all costs and expenses incident to the performance of the Services by Contractor, including any and all instrumentalities, supplies, tools, equipment, or materials necessary to perform the Services. If the District furnishes any goods, materials, or equipment to Contractor, Contractor assumes complete liability for those goods, materials, or equipment. Contractor agrees to pay for such tools or materials spoiled by it or not otherwise accounted for to the District's satisfaction.
- 8. COMPLIANCE WITH APPLICABLE LAWS:** The Services completed herein must meet the approval of the District and are subject to the District's general right of inspection to ensure they are satisfactorily completed. Contractor agrees to comply with all federal, state and local laws, rules, regulations and ordinances that are now or may in the future become applicable to Contractor, the Services, Contractor's business, equipment, and personnel engaged in operations covered by this Agreement, or accruing out of the performance of such operations.
- 9. INDEPENDENT CONTRACTOR:** In the performance of this Agreement, Contractor shall act as an independent contractor. Contractor shall perform the Services and obligations under this Agreement according to the Contractor's own means and methods of work which shall be in the exclusive charge and under the control of Contractor, and which shall not be subject to control or supervision by the District except as to the results of the work. Contractor understands and agrees that he/she/it and all of his/her/its employees shall not be considered officers, employees or agents of the District, and are not entitled to benefits of any kind or nature normally provided employees of the District or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Contractor assumes the full responsibility for the acts or omissions of his/her/its employees or agents as they relate to the Services to be provided under this Agreement. Contractor is not authorized to make any representation, contract or commitment on behalf of the District.
- 10. TERMINATION:** District may terminate this Agreement for its convenience at any time by written notification to Contractor thirty (30) days prior to the effective date of termination. District will pay Contractor all earned and undisputed amounts for Services provided through the date of termination.

**11. OWNERSHIP OF INTELLECTUAL PROPERTY:** The Services performed hereunder are work made for hire and District shall exclusively own, in perpetuity and worldwide, all rights to and flowing from the work, including any work product, performed under this Agreement. Contractor assigns to District any and all rights Contractor could have, may have, or does have, in the work or the work product performed under this Agreement, and District shall have all right, title, and interest in said matters, including the right to secure and maintain the copyright, trademark, or patent of said matters in the name of the District. Independent Contractor consents to the use of Contractor's name in conjunction with the sale, use, performance, and distribution of said matters, for any purpose and in any medium.

**12. LIMITATION OF LIABILITY:** The District's financial obligations under this Agreement are limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event, shall the District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement for the Services performed in connection with this Agreement.

**13. INDEMNITY:** Contractor shall indemnify, defend, and hold the District, its Board of Trustees, officers, agents, employees, and volunteers harmless against any and all liability, claims, suits, demands, causes of action, damages, losses, injuries, and expenses, including reasonable attorneys' fees, whether actual or alleged, arising from all acts or omissions to act of Contractor or its officers, agents, employees, volunteers, and subcontractors, including any claim that Contractor infringed a third party patent or copyright or other intellectual property right, unless the liability or claims arise from the District's sole and active negligence or willful misconduct. The provisions of this section shall survive the termination or expiration of this Agreement.

**14. INSURANCE REQUIREMENTS:** Contractor and its officers, employees, agents, and subcontractors shall, at their expense, maintain and comply with Insurance Requirements listed below to protect Contractor and District from any and all claims for personal injury, bodily injury and property damage arising from, pertaining to or relating to the scope of work under this Agreement:

- A. Contractor will maintain in force, during the full term of the Contract, insurance from a carrier licensed to do business in California in the following amounts and coverage.
  - 1. Workers' Compensation, with Employers' Liability limits-not less than \$1,000,000 (one million dollars) each accident.
  - 2. Comprehensive General Liability Insurance with limits not less than \$2,000,000 (two million dollars) each occurrence Combined Single Limit Bodily Injury and Property Damage, and Completed Operations Coverages.
  - 3. Theft and dishonesty bond insurance to protect the District against losses due to thievery, fraud or other dishonest behavior by employees of the Contractor.

B. Comprehensive General Liability Insurance policy shall be endorsed to provide the following:

1. Name as ADDITIONAL INSURED the Feather River Community College District, its Board of Trustees, officers, agents and employees.
2. That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Contract, and that insurance applies separately to each insured against who claim is made or suit is brought. Failure to furnish such evidence shall be considered default of the Contractor.

C. All policies shall be endorsed to provide:

Thirty (30) days advance written notice to the District of cancellation, non-renewal, or reduction in coverage, mailed or delivered to the following address:

Feather River Community College District  
570 Golden Eagle Ave.  
Quincy, CA 95971

D. Certificates of Insurance, satisfactory to the District, evidencing all coverage above shall be furnished to the District before commencing any operations under this Contract, and annually thereafter, with complete copies of policies available to the District upon request.

E. Approval of the insurance by the District shall not relieve or decrease the liability of the Contractor hereunder.

**15. PROTECTION OF CONFIDENTIAL INFORMATION:** Contractor understands and acknowledges that during its performance of the Services, it or its employees may have access to private and confidential information in the District's possession, custody or control, including but not limited to private information regarding students, parents, guardians, faculty, donors, employees, staff, alumni, or other personnel data or information and other District related trade secrets, business plans, and other proprietary information ("Confidential Information"). This information may be protected by state and federal law. Contractor will not disclose, copy, or modify any Confidential Information without the prior written consent of the District or unless otherwise required by law. Contractor will promptly notify the District if it becomes aware of any possible unauthorized disclosure or use of the Confidential Information. The provisions of this section shall survive the termination or expiration of this Agreement.

**16. NON-DISCRIMINATION ENDORSEMENT:** Contractor and District mutually agree that they will comply with all applicable Federal and California state anti-discrimination laws and regulations and agree not to unlawfully discriminate against any prospective or active employee engaged in the work, or against any other person, on the basis of race, color, age, ancestry, national origin, sex, religious creed, marital status, or physical or mental disability, medical condition, genetic information, sex, gender, gender identity or expression, or sexual orientation or any other category protected by law, including but not

limited to, the California Fair Employment and Housing Act, beginning with Labor Code Section 1410, and Labor Code Section 1735. In addition, Contractor agrees to require like compliance by all hired subcontractors.

- 17. PROVISIONS REQUIRED BY LAW DEEMED INSERTED:** Each provision of law and clause applicable to this Agreement, or required by law to be inserted in this Agreement, is deemed inserted herein and the Agreement shall be read and enforced as though the provisions are included herein.
- 18. AUDIT:** Contractor agrees that the District has the right to review, audit, and to copy any of Contractor's or Contractor's sub-consultants' records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is required. Contractor agrees to allow the District access to these records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Contractor agrees to include a similar right of the District to audit records and interview staff in any subcontract related to performance of this Agreement.
- 19. ADVERTISING:** Contractor shall not use the name of the District, its officers, directors, employees, or agents, in advertising, social marketing campaigns, publicity releases or otherwise without securing the prior written consent of the District in each instance.
- 20. NON-WAIVER:** The failure of the District or Contractor to seek redress for violation of, or to insist upon, the strict performance of any term or condition of this Agreement, shall not be deemed a waiver by the party of such term or condition, or prevent a subsequent similar act from again constituting a violation of such term or condition.
- 21. NOTICE:** All notices required or permitted to be given under this Agreement by either party to the other, shall be in writing and given, served, and received, if given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or sent by overnight delivery services, or email transmission, addressed as follows:

For District:  
Morgan Turner  
Vice President, Business Services  
Feather River Community College District  
570 Golden Eagle Ave  
Quincy, CA 95971  
[mturner@frc.edu](mailto:mturner@frc.edu)

For Contractor:  
Contact information

Any notice personally given or sent by facsimile transmission is effective upon receipt. Any notice sent by overnight delivery service is effective the business day next following delivery by overnight services. Any notice given by mail is effective three days after deposit in the United States mail.

- 22. SEVERABILITY:** If any term, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force and effect and shall not be affected, impaired or invalidated in any way.
- 23. APPROVAL BY DISTRICT'S BOARD OF TRUSTEES:** Pursuant to Education Code Section 81655, this Agreement is not valid and does not constitute an enforceable obligation against the District unless and until District's Board of Trustees has approved or ratified this Agreement as evidenced by a motion duly passed and adopted by the Board of Trustees.
- 24. CONFLICT OF INTEREST AND PROHIBITED INTERESTS:** No officer, employee, or any other agent of the District authorized in any capacity on behalf of the District to exercise any fiduciary, executive, or other similar functions, shall be allowed to possess or accept, directly or indirectly, or in any part thereof, any financial interest in any contract, bid or other procurement activity of the District. Additionally, no officer, employee, or any other agent of the District similarly authorized, shall be allowed to possess or accept any form of gift, payment, undue advantage or influence, directly or indirectly, or in any part thereof. The District reserves the right, before any Agreement or procurement award is made, to require an affidavit from the respective bidder or Contractor to disclaim in writing any conflict of interest. Furthermore, the District reserves the right to reject any bidder or Contractor if any such conflict is discovered, and subsequently award to the next preferred vendor.
- 25. GOVERNING LAW:** This Agreement shall be governed and interpreted in accordance with the laws of the State of California in accordance with its fair meaning and not strictly for or against the District or Contractor. Any legal proceedings brought to interpret or enforce the terms of this Agreement, shall be brought in Plumas County, California.
- 26. DISPUTES:** Except in the event of the District's failure to make earned and undisputed payments to Contractor, if the District and Contractor have a dispute, each will continue to perform its respective obligations, including Contractor's duty to provide and perform the Services, during all attempts to resolve the dispute.
- 27. MEDIATION; ARBITRATION:** Parties agree that if any dispute or controversy arises between them in any way arising out of, related to, or connected with this Agreement or its subject matter, they will participate in good faith in mediation and agree to equally share all mediator fees. If the Parties are unable to resolve the dispute or controversy

through mediation, the Parties agree to submit the pending dispute or controversy to final and binding arbitration to be held in Plumas County, California, and to be governed by the Federal Arbitration Act ("FAA"). By agreeing to this binding arbitration provision, the Parties understand that they are waiving certain rights and protections which may otherwise be available if a claim were determined by litigation in court, including, without limitation, the right to seek or obtain certain types of damages precluded by this arbitration provision, the right to a jury trial, certain rights of appeal, the right bring a claim as a class member in any purported class or representative proceeding; and a right to invoke formal rules of procedure and evidence. The prevailing party shall be awarded all reasonable attorneys' fees, expert witness fees, and other litigation expenses, expended or incurred in such arbitration or litigation, unless the laws related to the claim that the party prevailed on preclude a court from awarding attorneys' fees and costs to the prevailing party. The provisions of this section will apply during the term of this Agreement and survives after the termination or expiration of this Agreement.

- 28. SUCCESSORS; NO ASSIGNMENTS:** This Agreement and all terms hereof are binding upon and inure to the benefit of the respective successors of Contractor and the District. Neither Contractor nor District may assign rights or obligations of this Agreement without the prior written consent of the other, which may be withheld or granted in sole discretion of the Party requested to grant consent.
- 29. COUNTERPARTS:** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.
- 30. ENTIRE AGREEMENTS:** This Agreement and RFP documents, constitute the sole entire Agreement and understanding between the District and Contractor concerning their subject matter. It replaces and supersedes all prior agreements or negotiations, whether written or verbal. It may not be modified except in a writing signed by the District and Contractor.
- 31. TIME OF PERFORMANCE:** Time is of the essence and Contractor shall perform the Services required by this Agreement in an expeditious and timely manner so as not to unreasonably delay the purpose of this Agreement.



IN WITNESS WHEREOF, the District and Contractor have executed this Agreement as of the dates set forth below.

DISTRICT:

Feather River Community College District  
570 Golden Eagle Ave  
Quincy, CA 95971  
(530)283-0202

\_\_\_\_\_  
Morgan Turner  
Vice President, Business Services

\_\_\_\_\_  
Date

CONTRACTOR:

Business Name  
Street Address  
City, State, Zip  
Phone

\_\_\_\_\_  
Name  
Position

\_\_\_\_\_  
Date