

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Ron Ahlers, Finance Director *RA*

BY: Deborah Burdorf, Accountant I *DB*

DATE: October 25, 2011 (City Council Meeting of November 16, 2011)

SUBJECT: Consider Request for Proposal for Independent Auditing Services for City and Redevelopment Agency for Fiscal Years 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16

BACKGROUND

The Government Finance Officers Association (GFOA) recommends that we issue a comprehensive annual financial report (CAFR) at the close of each fiscal year. The statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (2007), the provisions of the Federal Single Audit Act of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

The goal of a CAFR is better financial reporting. The objective of a financial audit is to provide users of financial reports with independent assurance that the reports are reliable, and the auditors seek to affirm that the financial statements are free from material misstatement.

The GFOA also recommends that governmental entities enter into multi-year agreements when obtaining the services of independent auditors. However, mandatory rotation of audit firms is not required. Governmental entities should periodically undertake a full-scale competitive process for the selection of independent auditors, consistent with applicable legal requirements. This process should actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory.

DISCUSSION

<u>June 30</u>	<u>Audit Firm</u>
2007-2011	Teaman, Ramirez & Smith
1999-2006	Vavrinek, Trine, Day & Co.
1992-1998	KPMG
1988-1991	Ernst & Young
1985-1987	Arthur Young

For the past five years, the City of Moorpark has retained the accounting firm of Teaman, Ramirez & Smith (TRS), for auditing services for the City and the Redevelopment Agency. They prepared the City CAFR, the Redevelopment Agency Annual Financial Report, the Single Audit Report, the City of Moorpark State Controller's Report and the Transit State Controller's Report. The current agreement with Teaman, Ramirez & Smith expires with the completion of the audit and the preparation of the reports for fiscal year 2010-11, which we expect to be completed by December, 2011.

Staff has prepared a Request for Proposal (RFP) for fourteen (14) qualified CPA firms, including our current and past auditors, to serve as the City's independent auditors for the next five fiscal years. Staff plans to post the RFP on the City's website as well as the CSMFO website in order to attract as many proposals as possible. The proposal will include the City and Redevelopment Agency Audits, Federal Single Audit (if applicable), City of Moorpark State Controller's Report and Transit State Controller's Report.

It is anticipated the selection of a firm will be completed by mid-January, 2012.

STAFF RECOMMENDATION

Authorize staff to initiate the Request for Proposal process for external auditing services.

Attachments: Request for Proposal
New Auditor Sample Contract
List of Auditing Firms

LIST OF AUDITORS FOR RFP

PricewaterhouseCoopers
350 South Grand Avenue
49th Floor
Los Angeles, CA 90071

Deloitte Touche
14011 Ventura Blvd, Suite 203
Sherman Oaks, CA 91423

Ernst & Young
515 S. Flower St., Suite 2300
Los Angeles, CA 90071

KPMG
21700 Oxnard St.
Woodland Hills, CA 91367

Vavrinek, Trine, Day & Co., LLP
8270 Aspen St.
Rancho Cucamonga, CA 91730

Teaman, Ramirez & Smith, Inc.
4201 Brockton Ave., Suite 100
Riverside, CA 92501

Dennis & Hart
12223 Highland Ave. #106-625
Rancho Cucamonga, CA 91739

Rogers Anderson Malody & Scott, LLP
290 North "D" St., Suite 300
Vanir Tower
San Bernardino, CA 92401

McGladrey & Pullen, LLP
251 S. Lake Avenue, #300
Pasadena, CA 91101-3055

Macias Gini & O'Connell LLP
2029 Century Park East, Suite 500
Los Angeles, CA 90067

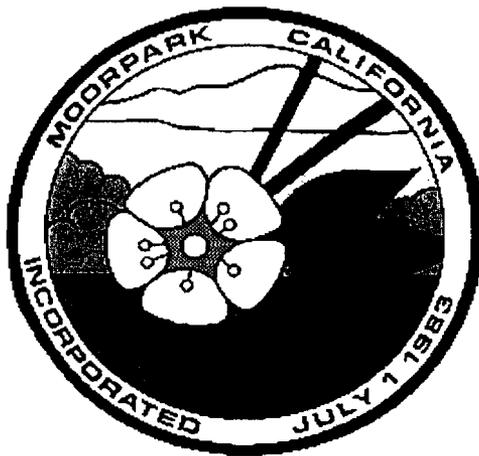
Grant Thornton
1000 Wilshire Boulevard, Suite 300
Los Angeles, CA 90017

Moss Adams
10960 Wilshire Boulevard, Suite 1100
Los Angeles, CA 90024

BDO Seidman
1888 Century Park East, 4th Floor
Los Angeles, CA 90067

White Nelson Diehl Evans LLP
2875 Michelle Drive, Suite 300
Irvine, CA 92606

CITY OF MOORPARK
REQUEST FOR PROPOSALS
for
PROFESSIONAL AUDITING SERVICES



Ron Ahlers
Finance Director
City of Moorpark
799 Moorpark Avenue
Moorpark, CA 93021

**CITY OF MOORPARK
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES**

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**CITY OF MOORPARK
REQUEST FOR PROPOSALS (RFP)
PROFESSIONAL AUDITING SERVICES**

I. INTRODUCTION

A. General Information

The City of Moorpark is requesting proposals from qualified certified public accountant firms to audit its financial statements for the five fiscal years beginning with the fiscal year ending June 30, 2012, subject to the cancellation provisions of the agreement. In addition to performing services as described under Section II.A of this RFP. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in *Government Auditing Standards (2007)* issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of State and Local Governments and Non-Profit Organizations*.

There is no expressed or implied obligation for the City of Moorpark to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents become the property of the City of Moorpark upon its receipt by the City.

During the evaluation process, the City of Moorpark reserves the right, where it may serve the City's best interest, to request additional information or clarification from Proposers, or to allow corrections of errors or omissions. At the discretion of the City of Moorpark, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Moorpark and the firm selected.

A copy of the City's most recent budget and Comprehensive Annual Financial Report (CAFR) along with the Moorpark Redevelopment Agency Annual Financial report can be found on the City's website, <http://ci.moorpark.ca.us>.

It is anticipated the selection of a firm will be completed by **mid-January, 2012**. Following the notification of the selected firm, a recommendation and proposed contract will be prepared for consideration and approval by the City Council at its **February 1, 2012** meeting. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Term of Engagement

It is the intent of the City to contract for the services presented herein for a term of five (5) years.

The proposal package shall present all inclusive audit fees for each year of the contract term.

II. NATURE OF SERVICES REQUIRED

A. Scope of the Work to be Performed

The City of Moorpark desires a Comprehensive Annual Financial Report (CAFR) and its component unit financial statements for the City of Moorpark and the Moorpark Redevelopment Agency to be prepared by the independent auditor and be fully compliant for GASB for the fiscal year ended June 30, 2012 and each of the subsequent years, June 30, 2013, 2014, 2015 and 2016 of the audit firm's contract with the City. The City will continue to submit the CAFR to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program.

The selected independent auditor will be required to perform the following tasks.

1. The audit firm will perform an audit of all funds of the City of Moorpark. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. **The City's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by the audit firm.** The CAFR will be in full compliance with all GASB statements. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements.

The audit firm will conduct a financial and compliance audit of the Moorpark Redevelopment Agency. The compliance audit shall include the provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies, issued by the State Controller. The auditors shall prepare GASB compliant component unit financial statements for each year of the engagement.

2. The audit firm will perform a single audit (if applicable) on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133.

3. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager.
4. At the sole discretion of the City of Moorpark, the audit firm may be requested to prepare and submit the Annual State Controller's Report for the City of Moorpark and the Annual Transit Report.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants;
2. The standards applicable to financial audits contained in *Government Auditing Standards* (2007 Revision), issued by the Comptroller General of the United States;
3. The provisions of the Single Audit Act as amended in 1996; and
4. The provisions of U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of Moorpark of the need to extend the retention period. The auditor will be required to make working papers available to the City of Moorpark or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Manager and the Finance Director.

III. DESCRIPTION OF THE GOVERNMENT

A. Background Information

The City of Moorpark, a general law city incorporated in July 1983, has a population of approximately 37,000 residents and approximately 100 full and part-time employees. The City of Moorpark is governed by a Council/Manager form of government. The Mayor is elected to serve a two-year term and the four City Council members are elected at large to serve staggered four-year terms. The City is located in the southeastern part of Ventura County, 50 miles northwest of downtown Los Angeles and 25 miles east of the City of Ventura.

The City of Moorpark provides traditional city community development services, street maintenance, public transit, animal control, and housing programs, along with an array of recreation programs and community parks and facilities. Police services are provided under contract with the County of Ventura, and separate districts provide water, sewer and fire services.

On June 15, 2011, the Moorpark City Council approved the City's Operating and Capital Improvement budget for FY 2011-12. The total expenditure budget for both the City of Moorpark and the Moorpark Redevelopment Agency is \$64.5 million including \$40.9 million in operating expenditures and \$6.3 million in capital improvements. The total revenue for all funds has been budgeted at \$44.7 million including \$15.5 million in General Funds.

B. Fund Structure

The City of Moorpark uses the following fund types and account groups in its financial reporting:

Number of Individual Funds by Entity				
Fund Type/Account Group	City	RDA	Developer Deposits	
General Fund	1			
Special Revenue Fund	68	2		
Debt Service Fund	3	3		
Capital Projects Fund	6	2		
Fiduciary Fund	1		391	

C. Magnitude of Finance Operations

The Finance Department is headed by Ron Ahlers, Finance Director and consists of 6 employees. The Department is charged with providing financial management, budgeting, accounting, cash management, billing, revenue collection, payroll, fixed assets management, purchasing and general administrative support services for the City and Redevelopment Agency.

D. Computer Systems

The City's computerized systems are run on a Local Area Network (LAN). The accounting functions are computerized using Sungard Pentamation software on a windows based server. The applications operating on this system are general ledger, accounts payable, payroll, human resources, budget, cash receipts, fixed assets, purchasing and miscellaneous accounts receivable.

E. Availability of Prior Reports and Work Papers

Teaman, Ramirez & Smith in Riverside, CA conducted the City's most recent audit. The work papers of the previous audits are the property of the previous auditor and can be reviewed by the successful Proposer. The following financial statements were prepared or audited by Teaman, Ramirez & Smith.

1. City of Moorpark Comprehensive Annual Financial Report;
2. Moorpark Redevelopment Agency Annual Financial Report; and
3. A Single Audit Report (if applicable)
4. City State Controller's Report
5. Transit State Controller's Report

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to, and including, the date proposals are to be submitted:

<u>Date</u>	<u>Activity</u>
December 1, 2011	Request for Proposal issued
December 29, 2011	Due date for proposals (due by 5:00 p.m.)
January 17-20, 2012	Oral Interviews (conducted at City's discretion)
February 15, 2012	Contract awarded by City Council

B. Date Audit May Commence

Audit planning, including all necessary planning for GASB 34, documentation of systems of internal control and compliance and transaction testing should be completed during the interim stage. Our current auditors normally come out to conduct their interim audit around the end of June. The successful proposal is expected to be available to complete the interim around the same time frame. It is expected the City will close its books and be ready for the final audit by the end of September.

C. Date Reports Are Due

The auditor shall provide all drafts and recommendations for improvements to the Finance Director within a reasonable time period after the last day of field work. The auditor should be available for any meetings that may be necessary to discuss the draft audit reports. Once all issues of discussion are resolved, the completed CAFR, component unit financial statements, Single Audit report (if applicable) and other reports shall be delivered to the Finance Director. It is anticipated that this process will be completed and the final products to be delivered by December 1st each year.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The Finance Department staff will be available during the audit to assist the firm by providing information, documentation, and explanations. A staff person will be assigned by the City to be responsible for acting as the liaison between the audit firm and the accounting personnel and other City staff.

B. Work Area, Telephone, and Office Equipment

The City will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone and photocopying and fax machines.

C. Report Preparation

Report preparation, editing, printing, binding shall be the responsibility of the auditor.

1. Comprehensive Annual Financial Report ~ 25 reports
2. Single Audit Report ~ 10 reports
3. Redevelopment Agency Financial Statements ~ 25 reports
4. City State Controller's Report
5. Transit State Controller's Report

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries concerning the Request for Proposals and the subject of the Request for Proposals must be made to:

Ron Ahlers
Finance Director
799 Moorpark Avenue
Moorpark, CA 93021
(805) 517-6249
rahlers@ci.moorpark.ca.us

CONTACT WITH PERSONNEL OF THE CITY OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposal. Ten (10) copies of the proposal shall be received in the office of the City Clerk of the City of Moorpark **by 5:00 p.m. on December 29, 2011** for a proposal to be considered. For the purpose of inquiry or delivery of proposals, the Moorpark City Hall is open to the public from 8:00 a.m. to 5:00 p.m. each weekday, excluding City recognized holidays.

The Proposal should be addressed as follows:

**City of Moorpark
Attn: City Clerk
799 Moorpark Avenue
Moorpark, CA 93021**

Proposals must be sealed and clearly state on the outside of the package or envelope: "Proposal for Audit Services".

B. *Format for Technical Proposal*

1. Title Page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
2. Table of Contents identifying the materials submitted by section and page number. Cross-referencing to section and page number in the RFP would be helpful.
3. Signed Transmittal Letter briefly stating the Proposer's understanding of the work to be done; the commitment to perform the work within the time period; and the name(s) of the person(s) authorized to represent the Proposer, title, address, and telephone number.
4. Detailed Proposal following the order set forth in Section C below.

C. *Contents of Technical Proposal*

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than the form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all points outlined in the request for proposals. The proposal should be prepared simply and economically, providing a straightforward, concise description of the Proposer's capabilities to satisfy the requirements of this request for proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. License to Practice in California

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of Moorpark as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

3. Firm Qualifications and Experience

To qualify the firm must have extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Statements in GASB 34 format. The Proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the 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 so employed on a part-time basis. Staff consistency is an important consideration.

The Proposer should provide the range of activities performed by the local office, e.g., audit, accounting, tax service and/or management consulting services.

The Proposer must provide a list of all current municipal clients.

The Proposer is also required to submit a copy of a report on its most recent external quality control review (peer review), with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards (1994)).

The Proposer shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the Proposer shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

4. 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 this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past (3) three 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. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

5. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (minimum - 5) performed in the last three (3) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Also please indicate whether the audit was part of a Comprehensive Annual Financial Report prepared in conformance with the GASB 34 requirements. Information should be provided regarding clients that the firm serves that have received the CSMFO and GFOA awards.

The City reserves the right to contact any or all of the listed references regarding the audit services performed by the Proposer.

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal.

7. Identification Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

D. Contents of Cost Proposal

1. Total All-Inclusive Maximum Price

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City will not be responsible for expenses incurred by a firm in the preparation and/or presentation of a proposal in response to this request.

The cost proposal should be submitted in the format provided in Attachment A, "COST PROPOSAL FORM".

2. Manner of Payment

Progress payment will be made on the basis of hours of work completed during the course of the engagement not to exceed the amount specified in the firm's proposal and subsequent contract. Interim billings may be submitted for services performed as costs are incurred. However, the City of Moorpark will not make final payment of the total amount due under the terms of the contract until it has accepted the final work products.

VII. EVALUATION PROCEDURES

A. Review of Proposals

City Staff, consisting at a minimum, of the following, will evaluate submitted proposals:

Ron Ahlers, Finance Director
Irmina Lumbad, Budget & Finance Manager
Debbie Burdorf, Accountant I

B. Evaluation Criteria

Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in California;
- b. The firm has no conflict of interest with regard to any of the work proposed to be performed by the firm for the City;
- c. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal;
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work;
- e. The firm's past experience and performance on comparable government engagements;
- f. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation;
- g. Adequacy of proposed staffing plan for various segments of the engagement;
- h. Thoroughness of approach to conducting the audit of the City and demonstration of the understanding of the objectives and scope of the audit;
- i. Commitment to timeliness in the conduct of the audit;
- j. Maximum fees for the services to be performed.

Attachment A

COST PROPOSAL FORM

Service	2011/12	2012/13	2013/14	2014/15	2015/16
City Audit and Related Reports	\$	\$	\$	\$	\$
Redevelopment Audit and Related Reports	\$	\$	\$	\$	\$
Single Audit and Related Reports (if applicable)	\$	\$	\$	\$	\$
Subtotal	\$	\$	\$	\$	\$
At the City's option:					
City State Controller's Report	\$	\$	\$	\$	\$
Transit State Controller's Report	\$	\$	\$	\$	\$
Total for Fiscal Year (not-to-exceed)	\$	\$	\$	\$	\$

STANDARD BILLING RATES

Auditors Standard Hourly Billing Rates					
Position	2011/12	2012/13	2013/14	2014/15	2015/16
Partner	\$	\$	\$	\$	\$
Manager	\$	\$	\$	\$	\$
Supervisor	\$	\$	\$	\$	\$
Senior Accountant	\$	\$	\$	\$	\$
Staff Accountant	\$	\$	\$	\$	\$
Paraprofessional/Administrative Assistant	\$	\$	\$	\$	\$

**AGREEMENT BETWEEN THE CITY OF MOORPARK AND
NEW AUDITOR FOR INDEPENDENT AUDIT SERVICES**

THIS AGREEMENT, is made and effective as of **DATE**, between the City of Moorpark, a municipal corporation ("City") and New Auditor [**insert legal description of Auditor, such as a sole proprietorship, partnership, limited liability partnership, corporation, joint venture, limited liability corporation**] ("Auditor"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

WHEREAS, City has the need for professional auditing services; and

WHEREAS, Auditor specializes in providing such services and has the proper work experience, certifications and background to carry out the duties involved; and

WHEREAS, Auditor has submitted to City a Proposal dated **PROPOSAL DATE**, which is attached hereto as Exhibit B for continuing audit services for fiscal year ending June 30, 2012, through fiscal year ending June 30, 2016; and

WHEREAS, on **DATE**, City invited proposals for auditing services to perform related duties as set forth in Exhibit C; and

WHEREAS, said audit firm is staffed with personnel knowledgeable and experienced in the requirements of independent financial audit services and Government Finance Officers (GFOA) as well as California Society of Municipal Finance Officers Association (CSMFO) certification;

NOW, THEREFORE, in consideration of the mutual covenants, benefits and premises herein stated, the parties hereto agree as follows:

1. TERM

The term of this Agreement shall be from the date of execution to completion of the work identified in the Scope of Services and in conformance with Exhibit C, unless this Agreement is terminated or suspended pursuant to Article 6 herein.

2. SCOPE OF SERVICES

City does hereby retain Auditor, as an independent contractor, in a contractual capacity to provide Auditing Scope of Services, as set forth in Exhibit C. Auditor's Proposal, dated **PROPOSAL DATE**, which exhibit is attached hereto and incorporated herein by this reference as though set forth in full and hereinafter referred to as the "Proposal." Where said Scope of Services is modified by this Agreement, or in the event there is a conflict between the provisions of said Scope of Services and this Agreement, the language contained in this Agreement shall take precedence.

Auditor shall perform the following services as described below:

- A. Conduct an independent financial audit of the City of Moorpark and the Redevelopment Agency of the City of Moorpark ("Agency") financial statements, and Single Audit pursuant to the Office of Management and Budget (OMB) Circular A-133.
- B. Assist in the preparation and submittal of the City's Comprehensive Annual Financial Report (CAFR) for the GFOA "Certificate of Achievement for Excellence in Financial Reporting" and for the CSMFO "Certificate of Award for Outstanding Financial Reporting."
- C. Prepare the City's State Controller's Report.
- D. Prepare the Transit State Controller's Report.
- E. Prepare the Independent Auditors' Management Letter and identify issues not required to be disclosed, but represent the auditors' concerns and suggestions noted in the audit as appropriate.

Auditor shall perform the tasks described and set forth in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full.

Compensation for the services to be performed by Auditor shall be in accordance with Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full. Compensation shall not exceed the rates or total contract value **SPELL OUT CONTRACT CAP** dollars (**\$CONTRACT CAP**) as stated in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full, without the written authorization of the City Manager of the City of Moorpark. Payment by City to Auditor shall be in accordance with the provisions of Article 5, of this Agreement.

3. PERFORMANCE

Auditor shall at all times faithfully, competently and to the best of their ability, experience, standard of care, and talent, perform all tasks described herein. Auditor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Auditor hereunder in meeting its obligations under this Agreement.

- A. The services to be provided by Auditor pursuant to this Agreement shall begin with the audit of the fiscal year ending June 30, 2012.
- B. Auditor shall conduct preliminary and field audit work such as to complete the City, Agency, and Single Audits and provide a draft report with final adjustments to the City no later than the end of the second week of November. The Auditor should be available for any meetings that may be necessary to discuss the draft audit reports. Once all issues of discussion are resolved, the completed CAFR, component unit financial statements, Single Audit Report (if applicable) and other reports shall be delivered to the Finance Director by the end of the third week in December.

- C. Management findings shall be presented in draft form no later than November 15, 2012, 2013, 2014, 2015, and 2016, with final report delivered with completed CAFR.
- D. Assistance with the preparation of the submittal for the GFOA and CSMFO Certificates shall be such that deadlines are met.
- E. Preparation of the submittal of City's State Controller's Report and Transit State Controller's Report shall be in accordance with State guidelines.
- F. Preparation of the submittal of Agency's Financial Statements shall be in accordance with State reporting guidelines.
- G. Preparation of the Single Audit shall be in accordance with the Federal Single Audit reporting guidelines.

4. CITY MANAGEMENT

The individual directly responsible for Auditor's overall performance of the Agreement provisions herein above set forth and to serve as principal liaison between City and Auditor shall be the City Manager or the City Manager's designee.

5. PAYMENT

Taxpayer ID or Social Security numbers must be provided, on an IRS 1099 form, before payments may be made to vendors.

The City agrees to pay Auditor, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed **SPELL OUT CONTRACT CAP** dollars (**\$CONTRACT CAP**) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

Auditor shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Auditor shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Auditor at the time City's written authorization is given to Auditor for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement.

Auditor shall receive payment within thirty (30) days of receipt of each invoice as to all non-disputed fees. Any expense or reimbursable cost appearing on any invoice shall be accompanied by a receipt. If the City disputes any of Auditor's fees or expenses

it shall give written notice to Auditor within thirty (30) days of receipt of any disputed fees set forth on the invoice.

6. TERMINATION OR SUSPENSION WITHOUT CAUSE

The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion thereof, by serving upon the Auditor at least ten (10) days prior written notice. Upon receipt of said notice, the Auditor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

The Auditor may terminate this Agreement only by providing City with written notice no less than thirty (30) days in advance of such termination. In the event of such termination or suspension, Auditor shall be compensated for such services up to the date of termination or suspension. Such compensation for work in progress shall be prorated as to the percentage of progress completed at the date of termination or suspension.

In the event this Agreement is terminated pursuant to this Section, the City shall pay to Auditor the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Auditor will submit an invoice to the City pursuant to Article 5 herein.

7. DEFAULT OF AUDITOR

The Auditor's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Auditor is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Auditor for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Auditor. If such failure by the Auditor to make progress in the performance of work hereunder arises out of causes beyond the Auditor's control, and without fault or negligence of the Auditor, it shall not be considered a default.

If the City Manager or the City Manager's designee determines that the Auditor is in default in the performance of any of the terms or conditions of this Agreement, designee shall cause to be served upon the Auditor a written notice of the default. The Auditor shall have thirty (30) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Auditor fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

Auditor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Auditor shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Auditor shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Notification of audit shall be provided at least thirty (30) days before any such audit is conducted. Such records, together with supporting documents, shall be maintained for a period of seven (7) years after receipt of final payment.

Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Auditor. With respect to computer files, Auditor shall make available to the City, at the Auditor's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. INDEMNIFICATION AND HOLD HARMLESS

Professional Liability: Auditor shall indemnify, defend (with counsel reasonably acceptable to City) and hold harmless City, and any and all of its officials, employees, and agents ("the Indemnitees") from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arises out of, are a consequence of, or are in any way attributable to, in whole or in part, the negligence, willful misconduct, errors or omissions, in performance of this Agreement by Auditor or by any individual, or entity for which Auditor is legally liable, including but not limited to officers, agents, employees, or subcontractors of Auditor, except such damage as is caused by negligence of the City or any of its officials, employees, or agents.

Other than Professional Liability: Auditor shall indemnify, defend and hold harmless City, and any and all of its employees, officials, and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in way attributable to, in whole or in part, the performance of this Agreement by Auditor or by any individual or entity for which Auditor is legally

liable, including but not limited to officers, agents, employees, or sub-consultants of Auditor.

Auditor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section from each and every sub-consultant, or any other person or entity involved by, for, with, or on behalf of Auditor in the performance of this Agreement. In the event Auditor fails to obtain such indemnity obligations from others as required here, Auditor agrees to be fully responsible according to the terms of this Section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns, or heirs of Auditor and shall survive the termination of this Agreement or this Section.

City does not and shall not waive any rights that it may have against Auditor by reason of this Section, because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless and indemnification provisions shall apply regardless of whether or not said insurance policies are determined to be applicable to any losses, liabilities, damages, costs, and expenses described in this Section.

10. INSURANCE

Auditor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit A attached hereto and incorporated herein by this reference as though set forth in full.

11. INDEPENDENT AUDITOR

Auditor is and shall at all times remain as to the City a wholly independent Contractor. The personnel performing the services under this Agreement on behalf of Auditor shall at all times be under Auditor's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Auditor or any of Auditor's officers, employees, or agents, except as set forth in this Agreement. Auditor shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Auditor shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

No employee benefits shall be available to Auditor in connection with the performance of this Agreement. Except for the fees paid to Auditor as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Auditor for performing services hereunder for City. City shall not be liable for compensation or indemnification to Auditor for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

The Auditor shall keep itself informed of local, state and federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Auditor shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Auditor to comply with this Section.

13. ANTI DISCRIMINATION

Neither the Auditor, nor any sub-consultant under the Auditor, shall discriminate in employment of persons upon the work because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or gender of such person, except as provided in Section 12940 of the Government Code. The Auditor shall have responsibility for compliance with this Section [Labor Code Sec. 1735].

14. UNDUE INFLUENCE

Auditor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly from Auditor, or any officer, employee or agent of Auditor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

15. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Services performed under this Agreement.

16. CONFLICT OF INTEREST

Auditor covenants that neither they nor any officer or principal of their firm have any interests, nor shall they acquire any interest, directly or indirectly, which will conflict in any manner or degree with the performance of their services hereunder. Auditor further covenants that in the performance of this Agreement, they shall employ no person having such interest as an officer, employee, agent, or sub-consultant. Auditor further covenants that Auditor has not contracted with nor is performing any services directly or indirectly, with the developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) and/or public agency(ies) owning property and/or processing an

entitlement application for property in the City or its Area of Interest, now or within the past one (1) year, and further covenants and agrees that Auditor and/or its sub-consultants shall provide no service or enter into any contract with any developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) and/or public agency(ies) owning property and/or processing an entitlement application for property in the City or its Area of Interest, while under contract with the City and for a one-year time period following termination of this Agreement.

17. NOTICE

Any notice to be given pursuant to this Agreement shall be in writing, and all such notices and any other document to be delivered shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid, and addressed to the party for whom intended as follows:

To: City Manager
City of Moorpark
799 Moorpark Avenue
Moorpark, California 93021

To: **AUDITOR NAME**
AUDITOR FIRM
STREET ADDRESS
CITY, STATE ZIP

Either party may, from time to time, by written notice to the other, designate a different address or contact person, which shall be substituted for the one above specified. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or as of the third (3rd) day after deposit in the United States mail.

18. CHANGE IN NAME

Should a change be contemplated in the name or nature of the Auditor's legal entity, the Auditor shall first notify the City in order that proper steps may be taken to have the change reflected in the Agreement Documents.

19. ASSIGNMENT

Auditor shall not assign this Agreement or any of the rights, duties, or obligations hereunder. It is understood and acknowledged by the parties that Auditor is uniquely qualified to perform the services provided for in this Agreement.

20. LICENSES

At all times during the term of this Agreement, Auditor shall have in full force and effect, all licenses required of it by law for the performance of the services in this Agreement.

21. VENUE AND GOVERNING LAW

This Agreement is made, entered into, and executed in Ventura County, California, and any action filed in any court or for arbitration for the interpretation, enforcement or other action of the terms, conditions, or covenants referred to herein shall be filed in the applicable court in Ventura County, California. The City and Auditor understand and agree that the laws of the state of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement.

22. COST RECOVERY

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including attorneys' fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

23. ARBITRATION

Cases involving a dispute between City and Auditor may be decided by an arbitrator if both sides agree in writing, with costs proportional to the judgment of the arbitrator.

24. ENTIRE AGREEMENT

This Agreement and the Exhibits attached hereto contain the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

25. CAPTIONS OR HEADINGS

The captions and headings of the various Articles, Paragraphs, and Exhibits of this Agreement are for convenience and identification only and shall not be deemed to limit or define the content of the respective Articles, Paragraphs, and Exhibits hereof.

26. AMENDMENTS

Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by both parties to this Agreement.

27. PRECEDENCE

Auditor is bound by the contents of City's Request for Proposal, Exhibit B attached hereto and incorporated herein by this reference as though set forth in full, and the contents of the proposal submitted by the Auditor, Exhibit B attached hereto and incorporated herein by this reference as though set forth in full. In the event of conflict, the requirements of the City's Request for Proposals and this Agreement shall take precedence over those contained in the Auditor's Proposal.

28. INTERPRETATION OF AGREEMENT

Should interpretation of this Agreement, or any portion thereof, be necessary, it is deemed that this Agreement was prepared by the parties jointly and equally, and shall not be interpreted against either party on the ground that the party prepared the Agreement or caused it to be prepared.

29. HIRING

During the term of this contract, and for a period of six (6) months after the term of this contract, Auditor agrees not to solicit, recruit, or contact any City employee for purposes of hiring such employee or for purposes of retaining such employee to work for Auditor. Auditor agrees that if any City employee submits an unsolicited application for employment or consulting work to Auditor and Auditor hires such City employee as an employee, Auditor shall pay to City a fee of Seventy-five Thousand Dollars (\$75,000.00) to compensate City for costs associated with recruitment of a replacement, training, temporary interim employees, and other related expenses.

30. WAIVER

No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding unless executed in writing by the party making the waiver.

31. AUTHORITY TO EXECUTE

The person or persons executing this Agreement on behalf of the Auditor warrants and represents that he/she has the authority to execute this Agreement on behalf of the Auditor and has the authority to bind Auditor to the performance of obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MOORPARK

AUDITOR FIRM

By: _____

By: _____

CITY MANAGER

AUDITOR NAME, TITLE

Attest:

Maureen Benson, City Clerk

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of Work, Auditor will maintain insurance in conformance with the requirements set forth below. Auditor will use existing coverage to comply with these requirements. If that existing coverage does not meet requirements set forth here, Auditor agrees to amend, supplement, or endorse the existing coverage to do so. Auditor acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to the City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to the City.

Auditor shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office (ISO) "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Auditor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Auditor or Auditor's employees will use personal autos in any way on this project, Auditor shall provide evidence of personal auto liability for each such person.

Workers' Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, error or omissions of the Auditor and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum of \$25,000 self-insured retention for liability not covered by primary but covered by umbrella. Coverage

shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to the City for injury to employees of Auditor, subcontractors, or others involved in the Work. The scope of coverage provided is subject to approval by the City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 aggregate.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the State of California and with an A.M. Bests rating of A- or better and a minimum financial size of VII.

General conditions pertaining to provision of insurance coverage by Auditor. Auditor and the City agree to the following with respect to insurance provided by Auditor:

1. Auditor agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds the City, its officials, employees, and agents, using standard ISO endorsement CG 2010 with an edition prior to 1992. Auditor also agrees to require all contractors and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Auditor, or Auditor's employees, or agents, from waiving the right to subrogation prior to a loss. Auditor agrees to waive subrogation rights against the City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operation limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include limiting endorsement of any kind that has not been first submitted to the City and approved in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification, and additional requirements by the City, as the need arises. Auditor shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect the City's protection without the City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Auditor's general liability policy, shall be delivered to city at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled or reduced at any time and no replacement coverage is provided, the City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other Agreement and to pay the premium. Any premium so paid by the City shall be charged to and promptly paid by Auditor or deducted from sums due Auditor, at the City's option.
8. Certificate(s) are to reflect that the insurer will provide thirty (30) days notice to the City of any cancellation or reduction of coverage. Auditor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation or reduction of coverage imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
9. It is acknowledged by the parties of this Agreement that all insurance coverage required to be provided by Auditor or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to the City.
10. Auditor agrees to ensure that subcontractors, and any other party involved with the Work who is brought onto or involved in the Work by Auditor, provide the same minimum insurance required of Auditor. Auditor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Auditor agrees that upon request, all agreements with subcontractors and others engaged in the Work will be submitted to the City for review.
11. Auditor agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer, or other entity or person in any way involved in the performance of Work contemplated by this Agreement to self-insure its obligations to the City. If Auditor's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time, the City shall review options with the Auditor, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving the Auditor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Auditor, the City will negotiate additional compensation proportional to the increased benefit to the City.

13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
14. Auditor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Auditor of non-compliance with an insurance requirement in no way imposes any additional obligations to the City nor does it waive any rights hereunder in this or any other regard.
15. Auditor will renew the required coverage annually as long as the City, or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until the City executes a written statement to that effect.
16. Auditor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. As coverage binder or letter from Auditor's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to the City within five days of the expiration of coverage.
17. The provisions of any Workers' Compensation or similar act will not limit the obligations of Auditor under this Agreement. Auditor expressly agrees not to use any statutory immunity defenses under such laws with respect to the City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits, or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts or impairs the provisions of this section.

21. Auditor agrees to be responsible for ensuring that no contract used by any party involved in any way with the Work reserves the right to charge the City or Auditor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to the City. It is not the intent of the City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against the City for payment of premiums or other amounts with respect thereto.

22. Auditor agrees to provide immediate notice to City of any claim or loss against Auditor arising out of the work performed under this Agreement. The City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

CITY OF MOORPARK

SCHEDULE OF PROFESSIONAL AUDIT FEES

Service	2011/12	2012/13	2013/14	2014/15	2015/16
City Audit and Related Reports	\$	\$	\$	\$	\$
Redevelopment Audit and Related Reports	\$	\$	\$	\$	\$
Single Audit and Related Reports (if applicable)	\$	\$	\$	\$	\$
Subtotal	\$	\$	\$	\$	\$
At the City's option:					
City State Controller's Report	\$	\$	\$	\$	\$
Transit State Controller's Report	\$	\$	\$	\$	\$
Total for Fiscal Year (not-to-exceed)	\$	\$	\$	\$	\$

STANDARD BILLING RATES

Auditors Standard Hourly Billing Rates					
Position	2011/12	2012/13	2013/14	2014/15	2015/16
Partner	\$	\$	\$	\$	\$
Manager	\$	\$	\$	\$	\$
Supervisor	\$	\$	\$	\$	\$
Senior Accountant	\$	\$	\$	\$	\$
Staff Accountant	\$	\$	\$	\$	\$
Paraprofessional/Administrative Assistant	\$	\$	\$	\$	\$