

REQUEST FOR PROPOSALS (RFP) FOR FORENSIC ACCOUNTING SERVICES

TAOS MUNICIPAL SCHOOL DISTRICT

Taos Municipal School District recognizes its fiscal responsibility to appropriately receipt and expend public funds available for the education of our citizens. In order to fulfill this responsibility, we are presenting this request for proposals for forensic accounting services for your consideration and response.

INSTRUCTIONS TO OFFERORS

The deadline for submission of proposals is 2:00 p.m. local time, December 7, 2022. Five (5) originals of your proposal are required and should be delivered or addressed to Valerie Trujillo, Superintendent, 310 Camino De La Placita, Taos, NM 87571. Please indicate on the envelope of the sealed proposal that a "Proposal for Forensic Accounting Services" is enclosed. The sealed proposals will be opened promptly at 12:30 p.m., December 8, 2022, in the Conference Room. Any proposals received later than the specified date and time (December 7, 2022, at 2:00 p.m.) will not be considered and will be returned unopened to the offeror regardless of when it was mailed. No consideration of proposal award will be made at the opening. Evaluation of each proposal will be made as soon as possible with the award contingent on the approval of the Taos Municipal Schools Board of Education.

Any questions relating to this proposal must be submitted via e-mail to valerie.trujillo@taoschools.org through December 2, 2022.

ANNOUNCEMENT

REQUEST FOR PROPOSAL
No. 2022-001
Forensic Accounting Services
Due Date: December 7, 2022

Taos Municipal Schools
Finance Department
310 Camino De La Placita
Taos, New Mexico 87571

DATE OF ISSUE: November 21, 2022

PROFESSIONAL SERVICES PROPOSAL FOR FORENSIC ACCOUNTING SERVICES

You are invited to submit a proposal for providing the above referenced professional services to the Taos Municipal School District for forensic accounting services in connection with procurements involving maintenance and facilities within Taos Municipal Schools during the period of January 1, 2017 through October 13, 2022, in accordance with the Audit Rule set forth in 2.2.2 NMAC.

If you desire to submit a proposal, enter in the Offeror's Response Form the price at which you agree to perform the above services as specified on page 8. Include all proposed costs with New Mexico Gross Receipts Tax being a separate line item. Also, please be certain to complete the forms on pages 11, 12-14, and 15.

Return one (1) original and five (5) copies of the proposal on or before the closing date and time for receipt of proposals.

Responses to this proposal, No. 2022-001, will be received until **2:00 P.M.**, Mountain Standard Time, **December 7, 2022**, at the Taos Municipal Schools, 310 Camino De La Placita, Taos, New Mexico 87571.


Valerie Trujillo
Superintendent
(575) 758-5202
Valerie.trujillo@taoschools.org

NOTICE TO OFFERORS

In accordance with the New Mexico Statutes 1978, annotated, sections 13-1-112 through 117, the contractual terms and conditions applicable to the procurement are the contents of this Request for Proposal and are as follows (note, however, that in accordance with 2.2.2.15(C), the proposed professional services contract shall be submitted to the State Auditor for review and approval before the engagement can be initiated by the selected Offeror):

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PROPOSAL CONDITIONS

All proposals must be sealed and adequately identified on the face of the envelope with the proposal number, due date, and time. All proposals must be received by the School District on or before the due date and time indicated in the announcement.

The proposal should respond to the specifications outlined in this RFP and should include a detailed description of proposed services to be provided in response to the scope of work, how the services will be provided, and what commitments will be required of the District for the services to be provided to the District. The proposal should also include a detailed cost analysis of the proposed services to be provided. All cost information must be included as part of the proposal.

Faxed or e-mailed responses will not be accepted.

Submit one (1) original and five (5) copies of the proposal on or before the closing date and time for receipt of proposals.

Proposals and modifications will be held in a secure place until the established due date and time.

Non-responsive proposals will not be considered.

Unsigned proposals will not be accepted.

The District shall not be responsible for expenses incurred in preparing and submitting a proposal.

All proposals must include a detailed statement of exceptions taken to any part of the request (with reference to the specific paragraph involved).

The School District reserves the right to accept or reject any or all proposals and to waive any technicalities, irregularities, or formalities. The inquiry implies no obligations on the part of the District, nor does the District's silence imply any acceptance or rejections of any proposal offer.

The School District will not be responsible for any service delivered or performed without its purchase order and/or contract, signed by the authorized procurement officer.

Failure to deliver or to perform as and when promised shall constitute a breach of contract. A breach of any of the terms of the contract shall be grounds for termination of the contract.

Before a contract is signed, the IPA must notify the Taos Municipal Schools of any registered sex offenders working for the firm. The Taos Municipal Schools reserves the right to not have

registered sex offenders work on school sites depending on the school schedule and work schedule of the auditor. No registered sex offender may be on a school campus when students are present.

NEGOTIATIONS AND AWARD

Proposals may be modified in writing only or withdrawn prior to the established opening date and time.

The School District reserves the right to negotiate with any or all offerors who submit proposals determined to be acceptable or potentially acceptable, but proposals may be accepted without such discussions.

Negotiations may be held to: (1) promote understanding of the School District's requirements and the offerors' proposals, and (2) to facilitate arriving at a contract that will be most advantageous for the Taos Municipal Schools Board of Education, taking into consideration the evaluation criteria set forth in the Request for Proposals. If there is a need for any substantial clarification of or change in the Request for Proposals, the request shall be amended to incorporate such clarification or change. The District will notify all offerors in writing of any substantive clarification provided in response to any inquiry. The District may require that any inquiry be submitted in writing. The District may extend the due date if such information significantly amends this solicitation or makes compliance with the original proposed due date impractical. Any substantial verbal clarification of an offeror's proposal shall be reduced to writing by the offeror.

Offerors submitting proposals may be afforded an opportunity for discussion and revision of proposals. The contents of any proposals shall not be disclosed so as to be available to competing offerors during the negotiation process. (Procurement Code 13-1-116 NMSA 1978).

The evaluation shall be based on the evaluation criteria set forth herein. Your proposal should address these factors.

The award shall be made to the responsible offeror whose proposal is most advantageous to the District, taking into consideration the evaluation criteria set forth in the Request for Proposals (Procurement Code 13-1-117 NMSA 1978). This award shall be made to one offeror only for forensic accounting services. This contract will not be split among offerors.

MINIMUM QUALIFICATIONS TO SUBMIT PROPOSAL

All offerors must meet the following requirements in order to be eligible to submit a proposal:

1. IPA must be a licensed, certified public accountant.
2. IPA must be licensed to do business in the State of New Mexico.
3. IPA must be able to supply information showing insurance coverage in accordance with the State Audit Rule.
4. IPA must be on the State Auditor’s list of independent public accountants who have complied with the State of New Mexico Auditor’s Rule 2.2.2 NMAC. Offerors who have been accepted subsequent to the publication of the list must submit proof of State Auditor’s approval. Offerors not appearing on the list or who do not have subsequent approval will be rejected.

EVALUATION CRITERIA

The bidder’s proposal shall be evaluated using the following criteria:

a) <u>Professional qualifications and technical abilities of the Offeror’s team to be assigned to conduct the forensic accounting services, including any external references from clients who have received similar services for this area.</u>	<u>30 points</u>
b) <u>The offeror’s proposed methodology, including examples, will be evaluated for thoroughness and applicability to the project.</u>	<u>20 points</u>
c) <u>Responsiveness to the request for proposal (Offeror’s integrity, qualifications, record of past performance, and financial/technical resources).</u>	<u>15 points</u>
d) <u>Offeror’s peer/external quality control reviews</u>	<u>10 points</u>
e) <u>Scheduling and timing of forensic accounting services, including how Offeror will conduct the forensic accounting services outlined in the Scope of Work of this RFP</u>	<u>15 points</u>

Part Two Evaluation Criteria (to be evaluated only upon completion of Part One)

- | | |
|------------------|-----------|
| a) Cost per Hour | 10 points |
|------------------|-----------|

The evaluation of each Offeror’s cost proposal will be conducted using the following formula:

Lowest Responsive Offer Cost per Hour
----- x Available Award Points
This Offeror's Cost Per Hour

A total of 100 points will be awarded for this Request for Proposal.

The responsible Offeror whose proposal is most advantageous to Taos Municipal Schools, taking into consideration the evaluation factors above, will be recommended for award.

DISCLOSURE REGARDING RESPONSIBILITY

Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:

1. is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;
2. has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
 - a. the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract;
 - b. violation of Federal or state antitrust statutes related to the submission of offers; or
 - c. the commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;
3. is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;
4. has, preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds \$3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if the following criteria apply.
 - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

- c. Have within a three year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.)

Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

The Contractor shall provide immediate written notice to the State Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.

A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the Contractor to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Agreement. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the State Purchasing Agent or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the Contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

NEW MEXICO PREFERENCES

To ensure adequate consideration and application of §13-1-21, NMSA 1978 (as amended), Offerors must include a copy of their preference certificate with their proposal. Certificates for preferences must be obtained through the New Mexico Department of Taxation & Revenue Department.

A. New Mexico Business Preference

A copy of the certification must accompany Offeror's proposal.

B. New Mexico Resident Veterans Business Preference

A copy of the certification must accompany Offeror's proposal.

The District shall not award a business both a resident business preference and a resident veteran business preference.

The New Mexico Preferences shall not apply if the expenditures for this RFP includes federal funds.

SCOPE OF WORK

Conduct forensic accounting services related to potential fraud, waste and/or abuse including any potential violations of criminal statutes in connection with procurements involving maintenance and facilities within Taos Municipal Schools for the period of January 1, 2017, to October 13, 2022, including an examination and report on the following:

- Establish an understanding of the processes and procedures (official and unofficial) utilized by Taos Municipal Schools for procurements concerning maintenance and facilities within Taos Municipal Schools during the period of January 1, 2017, to October 13, 2022.
- Identify and analyze all maintenance and facilities procurements during the period of January 1, 2017, to October 13, 2022.
- Identify and analyze Vendors for maintenance and facilities procurements during the Period including vendor use of subcontractors.
- Identify and analyze storage processes and procedures (official and unofficial) utilized for procurements concerning maintenance and facilities within Taos Municipal Schools during the period of January 1, 2017, to October 13, 2022.
- Document all records supporting maintenance and facilities procurements during the period of January 1, 2017, to October 13, 2022.
- Identify any potential maintenance and facilities procurement fraud risks during the period of January 1, 2017, to October 13, 2022.
- As part of analyzing potential fraud, waste, and/or abuse, identify and analyze potential deficiencies (recordkeeping, safeguarding assets, following laws, regulations, policies, procedures, ethical commitment to: Students, community, profession, professional employment practices, professional conduct, etc.) under NMAC 6.60.9.8 on the part of any District employee(s).

Any confidential information provided to, or developed by, the IPA in the performance of the services under this contract shall be kept confidential and shall no be made available to any individual or organization by the IPA without the prior written approval of the District.

Such services shall be conducted in accordance with applicable auditing standards and Requirements for Contracting and Conducting Audits of Agencies, 2.2.2 NMAC, and the Audit Act, NMSA 1978, Sections 12-6-1 through 12-6-14.

OFFEROR'S LETTER OF TRANSMITTAL FORM
REQUEST FOR PROPOSAL No. 2022-001

TO:
Taos Municipal Schools
Finance Department
310 Camino De La Placita
Taos, New Mexico 87571

PROFESSIONAL SERVICES PROPOSAL FOR FORENSIC ACCOUNTING SERVICES

We/I hereby accept the terms of the District's RFP. The Procurement Code, Sections 13-1-128 through 13-1-199 NMSA 1978, imposes civil and misdemeanor criminal penalties for its violation. The New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kick-backs. The undersigned certifies that there has been no collusion in the preparation of this proposal. The undersigned certifies that he/she read and understands the Request for Proposals and all pertinent documents, and that the firm and/or person represented accepts these conditions and submits the proposal in full compliance therewith. The undersigned has authority to sign on behalf of the offeror.

Individual: _____

Title: _____

Business Name: _____

Business Address: _____

Telephone: _____

Fax Number: _____

E-mail: _____

Signature of representative or offeror

Date signed

The Taos Municipal School District requires that all prospective audit firms complete and return this form with the RFP response.

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to NMSA 1978, 13-1-191.1, any person seeking to enter into a contract with any state agency or local public body for **professional services, a design and build project system, or the design and installation of measures the primary purpose of which is to conserve natural sources** must file this form with the state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member, or a representative of the prospective contractor to the public officials exceeds two hundred and fifty dollars (\$250) over the two-year period.

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

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal. For the Taos Municipal Schools, this would include members of the Taos Municipal Schools Board of Education.

"Campaign contribution" means a gift, subscription, loan, advance, or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect, or expend contributions on that official's behalf for the purpose of electing the officials to either statewide

or local office. "Campaign contribution" includes the payment of a debt incurred in an election campaign but does not include the value of services provided without compensation or reimbursed travel or other personal expenses of individuals who volunteer a portion or all their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law, or son-in-law.

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

"Person" means any corporation, partnership, individual, joint venture, association, or any other private legal entity.

"Prospective contractor" means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

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

DISCLOSURE OF CONTRIBUTIONS:

Contribution made by: _____

Relation to prospective contractor: _____

Name of applicable public official: _____

Date(s) contribution(s) made: _____

Amount(s) of contribution(s): _____

Nature of contribution(s): _____

Purpose of contribution(s): _____

(Attach extra pages if necessary)

Signature

Date

Title (position)

-OR-

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

Signature

Date

Title (position)

NEW MEXICO EMPLOYEE HEALTH COVERAGE FORM

If Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror certifies, by signing this agreement, to have in place and agree to maintain the term of the contract, health insurance for its New Mexico Employees and offer that health insurance to its New Mexico Employees if the expected annual value in the aggregate of any and all contracts between Contractor and Taos Municipal Schools exceed \$250,000 dollars.

Offeror agrees to maintain a record of the number of its New Mexico Employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons.

Contractor agrees to advise all of its New Mexico Employees of the availability of State publicly financed health care coverage programs by providing each of its New Mexico Employees with, as a minimum, the following web site link to additional information:
<https://www.bewellnm.com/>.

Signature of Offeror: _____

Date: _____

**APPENDIX A
DRAFT CONTRACT**

The Agreement included in this Appendix C represents the contract the District intends to use to make an award. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to, or during the award process, as necessary.

**STATE OF NEW MEXICO
CONTRACT FOR FORENSIC ACCOUNTING SERVICES**

Taos Municipal Schools (“TMS” or “the District”) and _____, the (“Contractor”) agree:

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. SCOPE OF WORK

The Contractor shall perform the services described in this Agreement, the Taos Municipal Schools RFP No. 2022-001 and Contractor’s Proposal, incorporated herein by reference as though fully set forth herein. The Contractor shall perform this engagement in accordance with the standards of the [(to be specified upon selection of Contractor)] and in accordance with the Audit Rule 2.2.2.15 NMAC.

2. DELIVERY AND REPRODUCTION

In order to meet the delivery terms of this Contract, the Contractor shall deliver an electronic report to the District no later than _____, 20__ .

3. COMPENSATION

The District shall pay to the Contractor in full payment for services satisfactorily performed at the rate of XXX per hour for a total of \$ XXX such compensation not to exceed \$ XXX. **The total amount payable to the Contractor under this Agreement, shall not exceed \$ XXX. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the Agency when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.**

4. TERM

Unless terminated pursuant to Paragraphs 5 or 20, *infra*, this Contract shall terminate one (1) calendar year after the date on which it is signed by the State Auditor.

5. TERMINATION, BREACH AND REMEDIES

A. This Contract may be terminated, without cause, by either of the parties upon written notice delivered to the other party at least ten (10) days prior to the intended date of termination. This Contract may be terminated immediately by either of the parties upon written notice delivered to the other party if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2, supra, shall constitute a material breach of this Contract. The District may immediately terminate this Contract upon written notice to the Contractor pursuant to Paragraph 19, infra. Pursuant to Section 2.2.2.8, NMAC, the State Auditor also may immediately terminate this Contract upon written notice to the Contractor after determining that the engagement has been unduly delayed, or for any other reason. By termination pursuant to this Paragraph, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. *THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE CAUSED BY THE CONTRACTOR'S DEFAULT OR BREACH OF THIS CONTRACT.*

B. If the District terminates this Contract under this paragraph, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid.

6. ORDER OF PRECEDENCE

In the event of a conflict in the provisions of this Agreement, the following order of precedence shall prevail:

- a. Amendments to the Agreement in reverse chronological order;
- b. This Agreement;
- c. Taos Municipal Schools RFP No. 2022-001; and
- d. Contractor's Proposal.

7. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the District and are not employees of the District. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the District as a result of this Contract.

8. ASSIGNMENT

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

9. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the District. Pursuant to Section 2.2.2.8 NMAC, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms pursuant to Section 2.2.2.8 NMAC, and that are not otherwise restricted by the Office from entering into such a contract pursuant to Section 2.2.2.8 NMAC.

10. RECORDS AND AUDIT

The Contractor shall maintain detailed time records that indicate the date, time and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of five (5) years from the date of final payment under this contract, unless otherwise required by applicable law or regulation. The records shall be subject to inspection by the District. The District shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the District to recover excessive or illegal payments.

11. RELEASE

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

12. CONFIDENTIALITY

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the District.

13. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The District and the Contractor may post the report on their respective websites in accordance with confidentiality provisions as specified in the Audit Rule, 2.2.2 NMAC.

14. CONFLICT OF INTEREST

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance

of services required under this Contract. The Contractor certifies that the requirements of the Governmental Conduct Act, NMSA 1978, Section 10-16-1, *et seq.*, regarding contracting with a public officer, state employee or former state employee have been followed.

15. INDEPENDENCE

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

16. AMENDMENT

This Contract shall not be altered, changed, or amended without subsequent written agreement of the parties.

17. MERGER

This Contract incorporates all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. **The engagement letter between the Contractor and District and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this contract. Conflicts between the engagement letter and this contract are governed by this contract, and shall be resolved accordingly.**

18. APPLICABLE LAW

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

19. AGENCY BOOKS AND RECORDS

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

20. APPROPRIATIONS

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

21. PENALTIES FOR VIOLATION OF LAW

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

22. EQUAL OPPORTUNITY COMPLIANCE

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

23. WORKING PAPERS

The Contractor shall retain the working papers of the engagement conducted pursuant to this Contract for a period of five (5) years from the date shown on the report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity.

24. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the engagement is [ZZZ]. The Contractor shall notify the District in writing of any changes in staff assigned to perform the engagement.

25. INVALID TERM OR CONDITION

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

SIGNATURE PAGE

This Contract is made effective as of the date of the signature of the State Auditor.

DISTRICT

NAME: _____

BY: _____

TITLE: _____

DATE: _____

CONTRACTOR

NAME: _____

BY: _____

TITLE: _____

DATE: _____

STATE AUDITOR

BY: _____

TITLE: _____

DATE: _____

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

BY: _____

TITLE: _____

DATE: _____

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

ID No. _____

By: _____

Date: _____