The Yuba Community College District, hereinafter referred to as District, and Auditor Name, hereinafter referred to as Auditor, mutually agree as follows:

**BACKGROUND**

District requested proposals from qualified independent audit firms for the conduct of financial and compliance audits for the fiscal years ending June 30, 2020, through June 30, 2022. Auditor submitted a proposal in response to said request and the District has accepted said proposal. The Proposal entitled “Proposal of Audit Services to Yuba Community College District” is attached hereto and incorporated by reference.

**The parties agree as follows:**

1. TERM OF AGREEMENT. The term of this agreement shall commence on      , 2020, and terminate on      , 2022, unless terminated in accordance with paragraph 20, Termination, or amended in accordance with paragraph 21, Amendment of Contract.

1. STATEMENT OF WORK. The Auditor shall perform services as required to complete the examination of financial statements and render reports thereon during the period of this Agreement.
2. Scope of Audit Services. Such services include, but may not be limited to, the following:
3. Prepare and submit to the Chief Business Officer the proposed audit plan, which shall include proposed plans for the conduct of compliance and substantive tests. Meet with the Chief Business Officer to review and discuss the proposed audit plan.
4. Attend Audit Committee meetings as required.
5. Conduct a comprehensive financial audit of the District.
6. Conduct a comprehensive financial audit of the Yuba Community College District Foundation.
7. Conduct a comprehensive financial and performance Audit of Measure J & Q General Obligation Bonds Funds. This will be for Fiscal years 2020-21 and 2021-22.
8. Conduct an exit conference for each audit with appropriate personnel of the District.
9. Attend such meetings with staff of the District as may be required during the course of the audits.
10. Prepare written reports relative to any lack of documentation at the conclusion of field audits and prior to exit conferences.
11. STAFFING. The Auditor shall assign professional staff as appropriate to the conduct of the audits. A manager shall be assigned to coordinate the activities of all Auditor staff and shall be the liaison between the Auditor and the District. The Audit Manager shall be accessible to the District at all times. Supervision auditors shall be CPAs currently licensed in the State of California. The Auditor is responsible for assignment of Auditor personnel and shall make available to the Chief Business Officer a current Project Organization Chart, which indicates the specific personnel assigned to each aspect of the audits.
12. AUDIT REPORTS. Separate audit reports shall be completed for the audit of the District, the Yuba Community College Foundation, and the District’s General Obligation Bonds Funds. Each report must include an opinion relative to the financial and/or compliance portions of the audit. Auditor will distribute copies to all applicable reporting agencies, and an additional 10 (10) bound copies and one (1) unbound copy of each audit report shall be delivered to the Chief Business Officer. In addition to the bound copies, the Auditor must provide an electronic version of all of these reports. The reports shall be completed per the District delivered timeline.
13. STATEMENTS AND REPORTS. Financial statements incorporated into each audit report shall be made pursuant to applicable guidelines as specified in paragraph 8 of this Agreement.

Reports of examination of financial statements shall state the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards and shall include an opinion as to whether the statements conform to generally accepted accounting principles.

Reports of compliance shall include a statement that the examination was conducted in accordance with applicable auditing standards. The audit report shall state whether the examination disclosed instances of significant noncompliance with laws and regulations. Findings of noncompliance or ineligible expenditures shall be presented in enough detail for management of the District to be able to understand the findings and implement corrective action.

1. MANAGEMENT LETTER. A separate management letter shall be prepared and submitted to the Chief Business Officer for each audit. The management letter shall include a statement of findings and recommendations affecting the financial statements, internal controls, accounting, accounting systems, legality of actions, other instances of noncompliance with laws and regulations, and any other material information.

Prior to the submission of the final draft of the management letters the Auditor shall meet with appropriate management and staff of the District. Five (5) copies of the management letter shall be addressed to the Chief Business Officer. The reports shall be delivered no later than the District planned timeline.

1. WORKING PAPERS. A copy of the recommended adjusting detail journal entries shall be provided to the Chief Business Officer by the Auditor. The Auditor shall retain working papers for a period of five (5) years, unless otherwise specified by the District. Such working papers shall be available for review and audit by the District, representatives of Federal and/or State and local governments and other individuals designated by the District.
2. TECHNICAL STANDARDS. Examination of financial records, statements and audits for compliance shall be made in accordance with generally accepted auditing standards as specified in Statements on Auditing Standards, published by the American Institute of Certified Public Accountants (AICPA); Office of Management and Budget (OMB) Circular A-133, the General Accounting Office’s (GAO) Standards for Audit of Governmental Organizations, Programs, Activities and Functions: and the standards specified in the California Community Colleges Contracted District Audit Manual.

All laws, regulations, and/or documents referred to herein shall be interpreted as the most current laws, regulations, and/or documents relating to audits as specified herein and shall automatically be updated by auditors as required.

1. PERSONNEL CHANGES. Auditor recognizes that one factor of the evaluation and selection process was evaluation of Auditor’s commitment to assign specified individuals to the project on a stated level of participation. Therefore, Auditor shall make every effort to see that such individuals are assigned as specified during the entire term of the engagement.

Should the Auditor modify personnel assignments for any reason that specific individuals committed to the Audit Services are made available on any other than that contained in the proposal, the District may, in its sole discretion, terminate the Contract for cause. Further, the District’s acceptance of a modified personnel assignment in any one instance shall not be construed as an acceptance in any other instance or as a waiver of its right to terminate for cause.

1. PAYMENT FOR SERVICES PROVIDED. The District shall pay Auditor an amount not to exceed the sum of $XXX thousand, $XXX hundred, and $XXX dollars ($XXX) for services performed in connection with the 20XX-20XX audits. The amount includes actual and necessary out-of-pocket expenses and shall be paid in conformance with the following schedule:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| AUDITS/REVIEWS | 2019-20 | 2020-21 | 2021-22 | Totals |
| District | $XX,XXX | $XX,XXX | $XX,XXX | $XX,XXX |
| Foundation | $X,XXX | $X,XXX | $X,XXX | $X,XXX |
| Foundation tax returns | $X,XXX | $X,XXX | $X,XXX | $X,XXX |
| G.O. Bonds J & Q |  | $X,XXX | $X,XXX | $X,XXX |
| Totals | $XX,XXX | $XX,XXX | $XX,XXX | $XX,XXX |

Payment shall be made upon receipt of an itemized invoice delivered monthly or less frequently at the option of the Auditor. All invoices shall be submitted to the attention of the Chief Business Officer.

1. COMPENSATION FOR ADDITIONAL SERVICES. If during the course of the examination, the Auditor finds any unusual item or circumstance that warrants an immediate detailed investigation, the same will be reported in writing to the Chief Business Officer. If, in the opinion of the Chief Business Officer, a more detailed audit is required than that which would be sufficient under normal circumstances, the Chief Business Officer will provide a written communication to the Auditor. Additional services are not within the scope of services to be performed pursuant to this Agreement. If additional services are required and authorized a separate Agreement will be executed. If the District does not authorize the amendment, the audit report may be qualified according to the circumstances involved.

The District may also request the Auditor to perform work or render services in addition to those that are usual and customary in making an examination of books and accounts of the District. If the Auditor performs such work, a separate Agreement will be executed to reflect the scope of the work, and compensation shall be at the hourly rates applicable for the audit year.

1. HOLD HARMLESS. The Auditor shall hold harmless and indemnify the District its officers, agents and employees from every claim, demand or liability, which may be made by reason of:
2. Any injury to person or property, including death, sustained by the Auditor or by any person, firm or corporation employed by the auditor, directly or indirectly, upon or in connection with the services hereunder, however caused; and
3. Any injury to person or property, including death sustained by any person, firm, or corporation, caused by any error, omission, agents or tortuous act of the Auditor, its officers, agents or employees, upon or in connection with the services hereunder, whether the injury or damage occurs upon or adjacent to the premises where services hereunder are performed; and
4. The Auditor, at his/her own expense, cost and risk, shall defend any and all actions, suits or other proceedings that may be brought or instituted against the District, the Board, its officers or employees in any such action, suit or other proceedings resulting from activities described in paragraphs (a) and (b) above.
5. LEGAL ACTION. If the District prevails in any action in law or equity to enforce or interpret the provisions of this agreement, it shall be entitled to reasonable attorney’s fees in addition to any other relief to which it may be entitled.
6. INSURANCE. Auditor, at its sole cost and expense, shall insure its activities in connection with this Agreement, and shall maintain during the term of this Agreement the following insurance coverage, limits of coverage, and other insurance requirements.
7. Commercial General Liability insurance with a limit of not less than $1,000,000 per occurrence for bodily injury, property damage, personal injury, products and completed operations, and blanket contractual coverage.
8. Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to the Auditor’s owned, scheduled, non-owned, or hired automobiles.
9. Workers’ Compensation insurance, if applicable, as statutorily required by California State law.
10. Professional Liability insurance covering acts, errors, mistakes, and omissions arising out of the work or services performed by Auditor, or any person employed by the Auditor, with a limit of not less than $1,000,000 each claim.

Other Insurance Provisions

1. The General Liability and Automobile Liability Insurance policies shall be endorsed to name the Yuba Community College District, its trustees, officers, agents, employees, and volunteersas additional insureds with the following language: *Yuba Community College District, its trustees, officers, agents, employees, and volunteers are hereby named additional insureds as their interest may appear.*

All insurance policies shall be endorsed to provide for thirty (30) days’ advance written notice by certified mail to the District of cancellation, suspension, or any material change of the required insurance coverage.

If any of the required insurance policies are written on a “claims-made” basis, coverage shall extend for two years past completion and acceptance of the Auditor’s work or services and must be evidenced by annual certificates of insurance.

The Auditor’s insurance must be primary, and any insurance or self-insurance maintained by the District shall not contribute to it.

The requirements in this paragraph shall not limit the Auditor’s liability pursuant to the paragraph 12, Hold Harmless, of this Agreement.

If any part of this Contract is assigned or subcontracted, these insurance requirements also apply to all assignees.

Verification of Coverage. Prior to commencing Services under this Agreement, Auditor shall furnish District with certificates of insurance and original endorsements evidencing the coverage, limits, and conditions required by this Agreement.

1. INDEPENDENT CONTRACTOR. District and Auditor agree that the Auditor and the agents and employees of Auditor, in the performance of this agreement, shall act in an independent capacity and not as agents or employees of the District. Auditor agrees that during the term of this Agreement, Auditor will not accept any employment as an employee of the District or of any of the entities that are directly or indirectly affiliated or associated with the District including but not limited to auxiliary organizations, student body organizations, or foundations. As an independent Auditor, Auditor shall be responsible for any payroll or withholding taxes, and workers' compensation benefits that may be required for itself or its employees. Because Auditor is engaged in Auditor’s own independent business, Auditor is not eligible for, and shall not participate in, any employer pension, health, or other fringe benefit plan of the District.
2. DISTRICT’S OBLIGATION. The District’s obligation is payable only and solely from funds appropriated for the purpose of this Agreement.
3. EQUAL OPPORTUNITY. Auditor shall take appropriate action to ensure that applicants are treated during employment without regard to their race, color, religion, age, sex, ancestry, sexual orientation, or national origin.

The Auditor shall also take affirmative action to implement the regulations of the Department of Health, Education, and Welfare relative to nondiscrimination on the basis of handicap. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

1. COMPLIANCE WITH CIVIL RIGHTS ACTS. Auditor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 e through 2000 e (17) to the end that no person shall, on the grounds of race, creed, color, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
2. ASSIGNMENT OF CONTRACT. The Auditor will not assign or transfer by operation of law or otherwise any or all of their rights, burdens, duties or obligations without the prior written consent of the District.
3. TERMINATION. The District may unilaterally terminate, without cause, the Agreement by giving written notice not later than thirty (30) days after submission of the previous year’s audit report by the Auditor.
4. AMENDMENT OF CONTRACT. This Agreement may be amended or altered on terms and conditions mutually agreed upon by the parties hereto.
5. ENTIRE AGREEMENT. The terms and conditions of the Request for Proposals (RFP), and all addenda thereto, are incorporated herein by reference. In the event of a discrepancy between the RFP, the Contractor’s response to the RFP and this Agreement, the terms and conditions of this Agreement shall take precedence.

|  |  |
| --- | --- |
| **AUDITOR**  By:  (Signature of person authorized to execute Agreement.)  Name:  Title:  Date: | **DISTRICT**  By:  (Signature of person authorized to execute Agreement.)  Name:  Title:  Date: |
|  |  |

TO: YUBA COMMUNITY COLLEGE DISTRICT  
Attention: Chief Business Officer  
425 Plumas Blvd.  
Yuba City, 95991

FROM: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
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Phone \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Pursuant to and in compliance with the Request for Proposals and all other documents relating thereto, the undersigned Auditor, having familiarized himself/herself with the terms and conditions of the proposal documents, hereby proposes and agrees to perform, within the time stipulated, the work to be done and to provide all labor and materials necessary to perform the work in connection with:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Maximum Annual Cost of Audit** | **2019-20** | **2020-21** | **2021-22** | **Cumulative Total First Three Years** | **2022-23**  **District Option** | **2023-24**  **District Option** |
| Yuba Community College District |  |  |  |  |  |  |
| Yuba Community College District Foundation |  |  |  |  |  |  |
| Yuba Community College District Foundation tax returns |  |  |  |  |  |  |
| Yuba Community College District G.O. Bonds (Measure J & Q) |  |  |  |  |  |  |

It is understood that the District reserves the right to reject this proposal and that this proposal will remain open and not be withdrawn for a period of sixty (60) days after the date scheduled for submission of proposals.

The names of all persons interested in the foregoing proposal as principals are as follows:

|  |  |
| --- | --- |
| Name | Title |
| Name | Title |
| Name | Title |
| Name | Title |

|  |  |
| --- | --- |
| Company Submitting Proposal (name typed or printed) | Authorized Signatory (name typed or printed) |
| Date | Signature of Authorized Signatory |

NOTE: If Auditor is a corporation, the legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the documents shall bear the corporate seal; if Auditor is a partnership, the true name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if Auditor is an individual, his or her signature shall be placed above.

**NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER**

State of California )

) ss.

County of )

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

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

Signature

Date

**CONTRACTOR'S CERTIFICATE REGARDING WORKERS' COMPENSATION**

Labor Code Section 3700 in relevant part provides:

Every employer except the State shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this State.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to pay any compensation that may become due to his employees.

I am aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor

Authorized Signature & Title Date

(In accordance with Article 5 (commencing at Section 1860), Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under this contract.)

**DRUG-FREE WORKPLACE CERTIFICATION**

I, am the of   
 (Print Name) (Title) (Contractor Name)

I declare, state and certify to all of the following:

1. I am aware of the provisions and requirements of California Government Code 8350 et seq., the Drug Free Workplace Act of 1990.
2. I am authorized to certify, and do certify, on behalf of Contractor that a drug free workplace will be provided by Contractor by doing all of the following:
3. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in Contractor's workplace and specifying actions, which will be taken against employees for violation of the prohibition;
4. Establishing a drug-free awareness program to inform employees about all of the following:
   1. The dangers of drug abuse in the workplace;
   2. Contractor's policy of maintaining a drug-free workplace;
   3. The availability of drug counseling, rehabilitation and employee-assistance programs; and
   4. The penalties that may be imposed upon employees for drug abuse violations;
5. Requiring that each employee engaged in the performance of the Contract be given a copy of the statement required by subdivision (A), above, and that as a condition of employment by Contractor in connection with the Work of the Contract, the employee agrees to abide by the terms of the statement.
6. Contractor agrees to fulfill and discharge all of Contractor's obligations under the terms and requirements of California Government Code '8355 by, inter alia, publishing a statement notifying employees concerning: (a) the prohibition of any controlled substance in the workplace, (b) establishing a drug-free awareness program, and (c) requiring that each employee engaged in the performance of the Work of the Contract be given a copy of the statement required by California Government Code '8355(a) and requiring that the employee agree to abide by the terms of that statement.
7. Contractor and I understand that if the District determines that Contractor has either: (a) made a false certification herein, or (b) violated this certification by failing to carry out and to implement the requirements of California Government Code '8355, the Contract awarded herein is subject to termination, suspension of payments, or both. Contractor and I further understand that, should Contractor violate the terms of the Drug-Free Workplace Act of 1990, Contractor may be subject to debarment in accordance with the provisions of California Government Code ''8350, et seq.
8. Contractor and I acknowledge that Contractor and I are aware of the provisions of California Government Code ''8350, et seq. and hereby certify that Contractor and I will adhere to, fulfill, satisfy and discharge all provisions of and obligations under the Drug-Free Workplace Act of 1990.

I declare under penalty of perjury under the laws of the State of California that all of the foregoing is true and correct.

Executed at this day of 20 .  
 (City and State)

Signature Print Name