

**NEW MEXICO OFFICE OF THE STATE  
TREASURER**

**REQUEST FOR PROPOSALS (RFP)**

**PROFESSIONAL AUDIT SERVICES  
Fiscal Years Ending 2024, 2025, 2026, & 2027**



**RFP# 24-394-000000002**

RFP Release Date: March 27, 2024

Proposal Due Date: April 24, 2024

**ELECTRONIC-ONLY PROPOSAL SUBMISSION**

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# **I. INTRODUCTION**

## **A. PURPOSE OF THIS REQUEST FOR PROPOSALS**

The purpose of the Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations to procure professional audit services. The New Mexico Office of the State Treasurer (STO or Agency) is requesting proposals (RFP) from qualified firms of certified public accountants to perform the annual financial and compliance audits of the Agency for the fiscal years ending June 30, 2024, June 30, 2025, June 30, 2026, and June 30, 2027. The selected firm (Offeror, Contractor, or Auditor) will perform the audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

## **B. BACKGROUND INFORMATION**

STO was created under Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are primarily defined by Chapters 6 and 8 of the New Mexico Statutes Annotated 1978 (NMSA 1978). These and other Chapters of the New Mexico Statutes require a) the Treasurer to act as the State's banker to receive, keep, and account for State funds collected and disbursed, and b) define the State Treasurer's banking, cash management, and investment roles. The principal statutory provisions related to the State Treasurer's prudent management of the State's financial resources and investment authority are listed below:

Sections 8-6-1 through 8-6-7 NMSA 1978 specify administrative and procedural requirements and define certain duties of the State Treasurer. Section 8-6-3 provides that, among other responsibilities, the State Treasurer shall "receive and keep all monies of the State, except when otherwise specially provided" and "disburse the public money upon warrants drawn according to law." This section also requires that the State Treasurer shall "keep a just, true, and comprehensive account of all monies received and disbursed."

Section 6-1-13 NMSA 1978 provides that the State Treasurer shall authorize all deposit accounts for State agencies and prescribe conditions and reports appropriate to such accounts.

Section 6-8-6 NMSA 1978 places the State permanent fund in the custody of the State Treasurer; and provides that the State permanent fund, or any part of the fund, shall at all times be available to the State Investment Officer for investment in accordance with State law.

Section 6-8-11 NMSA 1978 places in the custody of the State Treasurer securities purchased or held by the State Investment Officer or the State Investment Council and authorizes the State Treasurer, with the approval of the Secretary of the Department of Finance and Administration, to deposit the securities with a bank or trust company for safekeeping and servicing.

Section 6-10-10 NMSA 1978, in part, permits the State Treasurer to deposit funds in certain financial institutions and to invest, in certain allowable securities and contracts, money not immediately required for the operation of the State government.

Section 6-10-10.1 NMSA 1978 creates a short-term investment fund, which serves as an optional investment opportunity for local governments and Native American tribes, nations, and pueblos; and provides for the investment of the fund, either separately or consolidated with other funds, by the State Treasurer.

Sections 6-10-24.1, 6-10-25, 6-10-26, and 6-10-29 NMSA 1978 place conditions on the deposit and investment of State funds in New Mexico financial institutions; provide for reports from the State Treasurer concerning money on deposit in State depositories, including the amount required for operation of State government and the amount available for investment; and require depositories to submit an itemized monthly statement concerning the deposits to the State Treasurer.

Section 6-10-24.2 NMSA 1978 establishes the linked deposit program, which allows the State Treasurer to invest up to 14% of State deposits, not to exceed \$49 million, in certain financial institutions located in financially at-risk rural communities; places conditions on the deposit of State funds in these financial institutions; and authorizes the State Treasurer to accept a rate of interest not more than 1% below the market rate.

Section 6-10-28 NMSA 1978 allows the State Treasurer to invest the proceeds of general obligation and State revenue bonds.

Section 6-12A-5 NMSA 1978 permits the State Treasurer to issue and sell one or more tax revenue anticipation notes; and permits the State Treasurer to pledge the anticipated revenue to secure the payment of the principal and interest on the anticipation notes.

In summary, STO's performs the following functions:

- Provide banking assistance and services to State agencies. The cash management function of the State Treasurer's Office includes accepting money for deposits (through the fiscal agent bank), processing withdrawals, reconciling all bank transactions and balances, and managing securities used as collateral in accordance with Federal Reserve requirements. The State Treasurer's Office acts as the state's bank and records the receipt and disbursement of all state money defined by statute as being in the custody of or payable to the State Treasurer.
- Validate bank activity. The State Treasurer's Office validates deposits and withdrawals into and out of the state's fiscal agent accounts, including all adjustments to the accounts, such as returned checks, stop payments, and other miscellaneous bank account transactions. This process helps identify and eliminate fraudulent activity.
- Act as paying agent on the State's outstanding debt/bond issues. The State Treasurer's Office is the paying agent for state-issued bonds and is required to make all debt payments to designated payees on scheduled maturity dates.

- Manage and invest the state’s operating cash. The Chief Investment Officer invests money in the custody of the State Treasurer’s Office that is not immediately needed for the operations of the state government. In accordance with this fiduciary responsibility, all investments made by the State Treasurer’s Office must follow three fundamental principles: safety, liquidity, and yield, prioritized in that order. The State General Fund Investment Pool (SGFIP) is approximately 10.1 billion as of January 2024.
- Manage and invest the state’s bond proceeds until needed for project costs. The State Treasurer’s Office is responsible for investing bond proceeds from the issuance of general obligation bonds, severance tax bonds, and supplemental severance tax bonds, which are long-term obligations issued by the State of New Mexico to fund various infrastructure projects on behalf of the State of New Mexico. The Bond Proceeds Investment Pools (BPIP) amount to approximately \$3.6 billion as of January 2024.
- Manage and invest the New Mexico Local Government Investment Pool (LGIP) on behalf of New Mexico’s local governing entities. The LGIP is a Standard & Poor’s AAAM-rated money market fund offered by the State Treasurer’s Office to eligible local public bodies. The State Treasurer’s office’s ability to combine money received from local public entities into an investment pool offers these entities greater purchasing power and the economy of scale necessary to secure the best yields with the lowest possible participant fees. The LGIP portfolio is approximately \$1.8 billion as of January 2024.
- Enforce the State’s collateral policy on financial institutions holding State money. Collateral ensures adequate protection of State money deposited by agencies in local banks, the State’s fiscal agent account, and ancillary receivership deposits. The State Treasurer’s Office’s Collateral Section reviews, tracks, and reconciles collateral pledged by financial institutions to secure public deposits.
- Launch, manage, and administer Special Programs established by mandate. STO is responsible for the New Mexico State Treasurer’s Achieving a Better Life Experience (NM STABLE) program, and as of January 2024, there are 1361 active ABLE accounts with over \$13.1 million in Assets Under Management. In the second session of the fifty-sixth legislature, STO received a \$160,000 special appropriation from the Government Results and Opportunity Program fund for FY25/FY26 to develop a coalition to study the Baby Bonds program. Funding is also permitted for outreach, and Financial Literacy and Women Empowerment Economic programs under STO.

STO manages approximately \$15.5 billion in aggregate as of January 2024. STO operates on an annual budget of \$4.9 million, with \$2,000 derived from federal funds.

### **C. SCOPE OF PROCUREMENT**

The Agency desires the Auditor to perform the Scope of Work specified in the standard “State of New Mexico Audit Contract,” a copy of which appears in Appendix C of this Request for Proposal (RFP). Offerors must be on the State Auditor’s approved Independent Public Accountant (IPA) list.

The term of this contract shall be from the date of award and will end on June 30, 2025, with the option to extend for a period of three (3) additional years, on a year-to-year basis, by mutual agreement of all parties at the same price, terms, and conditions. This contract shall not exceed four (4) years.

The Agency will prepare the fully adjusted working trial balances, notes, and supporting details.

The financial statements and notes to the financial statements shall be prepared in accordance with Governmental accounting principles as identified in the latest edition of Codification of Governmental Accounting and Financial Reporting Standard (GASB). The Auditor shall follow interpretations, technical bulletins, concept statements issued by GASB, and other applicable pronouncements issued by the Financial Accounting Standards Board (FASB). This procurement will result in a contractual agreement between two parties; the procurement may ONLY be used by those two parties exclusively.

#### **D. PROCUREMENT MANAGER**

STO has assigned a Procurement Manager who is responsible for the conduct of this procurement whose name, address, telephone number, and e-mail address are listed below:

Name: Alisha Dominick, Procurement Manager  
Address: New Mexico Treasurer's Office  
2055 South Pacheco Street  
Santa Fe, NM 87505  
Telephone: (505) 955-1189  
Email: Alisha.Dominick@sto.nm.gov

1. Any inquiries or requests regarding this procurement should be submitted in writing to the Procurement Manager. Offerors may contact ONLY the Procurement Manager regarding this procurement. Other state employees or Evaluation Committee members do not have the authority to respond on behalf of STO.
2. Protests of the solicitation or award must be submitted in writing to the Protest Manager identified in Section II.B.13. As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule, and this Request for Proposals. Protests submitted or delivered to the Procurement Manager will NOT be considered properly submitted.

#### **E. PROPOSAL SUBMISSION**

*All proposals must be submitted via email to [Alisha.Dominick@sto.nm.gov](mailto:Alisha.Dominick@sto.nm.gov) on or before the proposal deadline. If the offeror's proposal exceeds 10 MB in file size, proposals can be submitted via USB flash drive on or before the proposal deadline with the address listed for the Procurement Manager.*



## F. DEFINITION OF TERMINOLOGY

This section contains definitions of terms used throughout this procurement document, including appropriate abbreviations:

1. “**Agency**” means the State Purchasing Division of the General Services Department or that State Agency sponsoring this Procurement.
2. “**Award**” means the final execution of the contract document.
3. “**Business Hours**” means weekdays (Monday – Friday) 8:00 AM thru 5:00 PM MST/MDT, whichever is in effect on the date given.
4. “**Close of Business**” means weekdays (Monday – Friday) at 5:00 PM MST/MDT, whichever is in effect on the date given.
5. “**Confidential**” means confidential financial information concerning the Offeror’s organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act §§57-3-A-1 through 57-3A-7 NMSA 1978; see also NMAC 1.4.1.45. The following items may **not** be labeled as confidential: Offeror’s submitted Cost response, Staff/Personnel Resumes/Bios (excluding personal information such as personal telephone numbers and/or home addresses), and other submitted data that is **not** confidential financial information or that qualifies under the Uniform Trade Secrets Act.
6. “**Contract**” means any agreement for the procurement of items of tangible personal property, services, or construction.
7. “**Contractor**” means any business having a contract with a state agency or local public body.
8. “**Determination**” means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.
9. “**Desirable**” – the terms “may,” “can,” “should,” “preferably,” or “prefers” identify a desirable or discretionary item or factor.
10. “**Electronic Submission**” means successfully submitting the Offeror’s via email to [Alisha.Dominick@sto.nm.gov](mailto:Alisha.Dominick@sto.nm.gov).
11. “**Electronic Version/Copy**” means a digital format consisting of text, images, or both, readable on computers or other electronic devices, which includes all content that the original document contains. The electronic version/copy CANNOT be emailed.

12. “**Evaluation Committee**” means a body appointed to perform the evaluation of Offerors’ proposals.
13. “**Evaluation Committee Report**” means a report prepared by the Procurement Manager and the Evaluation Committee to support the Committee’s recommendation for contract award. It will contain scores and written evaluations of all responsive Offeror proposals.
14. “**Final Award**” means, in the context of this Request for Proposals and all its attendant documents, that point at which the final required signature on the contract(s) resulting from the procurement has been affixed to the contract(s), thus making it fully executed.
15. “**Finalist**” means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee, as explained in Section II.B.8.
16. “**Hourly Rate**” means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits, and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.
17. “**IT**” means Information Technology.
18. “**Mandatory**” – the terms ”must,” ”shall” ”will,” ”is required,” or ”are required,” identify a mandatory item or factor. Failure to meet a mandatory item or factor may result in the rejection of the Offeror’s proposal.
19. “**Minor Irregularities**” means anything in the proposal that does not affect the price, quality and/or quantity, or any other mandatory requirement.
20. “**Multiple Source Award**” means an award of a contract for one or more items of tangible personal property, services or construction to more than one Offeror.
21. “**Offeror**” is any person, corporation, or partnership who chooses to submit a proposal.
22. “**Price Agreement**” means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property, services, or construction to a state agency or a local public body which issues a purchase order if the purchase order is within the quantity limitations of the contract, if any.
23. “**Procurement Manager**” means any person or designee authorized by a state agency or local public body with the responsibility, authority, and resources to conduct the RFP procurement, make written determinations regarding the RFP procurement, and/or enter into or administer contracts as a result of the RFP procurement.
24. “**Procuring Agency**” means all State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law to procure items of tangible

personal property, services or construction from the agreement(s) awarded as a result of this RFP.

25. **“Project”** means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project acceptance is given by the project executive sponsor.
26. **“Redacted”** means a version/copy of the Offeror’s proposal with the information considered proprietary or confidential (as defined by §§57-3A-1 to 57-3A-7 NMSA 1978 and NMAC 1.4.1.45 and summarized herein and outlined in Section II.C.8 of this RFP) blacked-out BUT NOT omitted or removed.
27. **“Request for Proposals (RFP)”** means all documents, including those attached or incorporated by reference, used for soliciting proposals.
28. **“Responsible Offeror”** means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation, and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.
29. **“Responsive Offer”** means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to, price, quality, quantity, or delivery requirements.
30. **“Sealed”** means, in terms of electronic submission, an Offeror’s proposal and all accompanying documents have been completely and successfully emailed to Alisha.Dominick@sto.nm.gov prior to the submission deadline stated in the RFP.
31. **“Single Source Award”** means an award of contract for items of tangible personal property, services or construction to only one Offeror.
32. **“SPD”** means State Purchasing Division of the New Mexico State General Services Department.
33. **“Staff”** means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors’ company.
34. **“State (the State)”** means the State of New Mexico.
35. **“State Agency”** means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the Purchasing Division of the General Services Department and the State Purchasing Agent but does not include local public bodies.

36. **“State Purchasing Agent”** means the Director of the Purchasing Division of the General Services Department.
37. **“Statement of Concurrence”** means an affirmative statement from the Offeror indicating its response to a required Section IV specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal, pursuant to Section III.C.1. (E.g. “We concur,” “Understands and Complies,” “Comply,” “Will Comply if Applicable,” etc.)
38. **“STO”** means Office of the State Treasurer.
39. **“Unredacted”** means a version/copy of the proposal containing all complete information, including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.
40. **“Written”** means typed in standard 8 ½ x 11-inch document format by common electronic means (such as Microsoft Word, Adobe PDF, etc.). A larger size document is permissible for charts, spreadsheets, etc.

## **G. PROCUREMENT LIBRARY**

A procurement library has been established. Offerors are encouraged to review the material in the Procurement Library by selecting the link provided in this document through your internet connection. The library contains the information listed below:

Electronic versions of RFP, Questions & Answers, RFP Amendments, etc., are located at:  
<https://www.nmsto.gov>

## II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule of events, the descriptions of each event, and the conditions governing this procurement.

### A. SEQUENCE OF EVENTS

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

Action	Responsible Party	Due Dates
1. Issue RFP	STO	March 27, 2024
2. Acknowledgement of Receipt Form	Potential Offerors	April 8, 2024
3. Pre-Proposal Conference	STO	April 15, 2024
4. Deadline to submit Written Questions	Potential Offerors	April 8, 2024
5. Response to Written Questions	Procurement Manager	April 12, 2024
<b>6. Submission of Proposal</b>	<b>Potential Offerors</b>	<b>April 24, 2024</b>
7.* Proposal Evaluation	Evaluation Committee	April 25th to April 30th
8.* Selection of Finalists	Evaluation Committee	May 1, 2024
9 * Oral Presentation(s)	Finalist Offerors	May 3, 2024
10.* Best and Final Offers	Finalist Offerors	May 6, 2024
11.* Finalize Contractual Agreements	STO/Finalist Offerors	May 7 to May 10, 2024
12.* Contract Awards	STO/ Finalist Offerors	May 13, 2024
13.* Protest Deadline	STO	May 28, 2024

\* Dates indicated in Events 7 through 13 are estimates only and may be subject to change without necessitating an amendment to the RFP.

### B. EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the Sequence of Events shown in Section II.A. above.

#### 1. Issue RFP

This RFP is being issued by STO on March 27, 2024.

#### 2. Acknowledgement of Receipt Form

Potential Offerors shall e-mail the Acknowledgment of Receipt Form (APPENDIX A) to the Procurement Manager, Alisha.Dominick ([alisha.dominick@sto.nm.gov](mailto:alisha.dominick@sto.nm.gov)), to place their organization on the Procurement Distribution List. The form must be returned to the Procurement Manager by 5:00 pm MDT on April 8, 2024.

The procurement distribution list will be used for the distribution of written responses to questions, and/or any amendments to the RFP. Failure to return the Acknowledgement of Receipt Form does not prohibit potential Offerors from submitting a response to this RFP. However, by not returning the Acknowledgement of Receipt Form, the potential Offeror's representative shall not be included on the distribution list and will be solely responsible for obtaining from the Procurement Library (Section I.G.) responses to written questions and any amendments to the RFP.

### 3. Pre-Proposal Conference

A pre-proposal conference will be held on **April 15, 2024**, as indicated in Section II.A, Sequence of Events, beginning at **3:00 pm MDT** via TEAMS Meeting ID: [222 887 670 805](#) Passcode: **s6cWs8** Or call in (audio only) [+1 505-312-4308,,402800023#](#) Phone Conference ID: **402 800 023#**

**Potential Offeror(s) are encouraged to submit written questions to the Procurement Manager in advance of the conference** (see Section I.D). The identity of the organization submitting the question(s) will not be revealed. Additional written questions may be submitted at the conference. All questions answered during the Pre-Proposal Conference will be considered **unofficial** until they are posted in writing. All written questions will be addressed in writing on the date listed in Section II.A, Sequence of Events. A public log of the names of potential Offeror(s) that attended the pre-proposal conference will be kept.

Attendance at the pre-proposal conference is highly recommended but not a prerequisite for submission of a proposal.

### 4. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Procurement Manager as to the intent or clarity of this RFP by 3:00 pm MDT on April 15, 2024, as indicated in Section II.A, Sequence of Events. All written questions must be addressed to the Procurement Manager as declared in Section I.D. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which form the basis of the question.

### 5. Response to Written Questions

Written responses to the written questions will be provided at the pre-proposal conference or via e-mail, on or before the date indicated in Section II.A, Sequence of Events, to all potential Offerors who timely submitted an Acknowledgement of Receipt Form (Section II.B.2 and APPENDIX A).

An electronic version of the Questions and Answers will be posted to:  
<https://www.nmsto.gov>

### 6. Submission of Proposal

Only **electronic proposal submission is allowed and will be the acceptable form of submission**, and the subject line should clearly indicate Professional Audit Services RFP# 24-394-000000002. **Do not** submit hard copies unless instructed in writing otherwise.

ALL PROPOSALS MUST BE RECEIVED BY THE PROCUREMENT MANAGER OR DESIGNEE NO LATER THAN 5:00 PM MST/MDT ON April 24, 2024. **NO LATE PROPOSAL WILL BE ACCEPTED.** The date and time of receipt will be recorded on each proposal.

A log will be kept of the names of all Offeror organizations that submitted proposals. Pursuant to §13-1-116, NMSA 1978, the contents of proposals shall not be disclosed to competing potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded pursuant to this Request for Proposals. Awarded in this context means the final required state agency signature on the contract(s) resulting from the procurement has been obtained.

## **7. Proposal Evaluation**

An Evaluation Committee will perform the evaluation of proposals. This process will take place as indicated in Section II.A, Sequence of Events, depending upon the number of proposals received. During this time, the Procurement Manager may initiate discussions with Offerors who submit responsive or potentially responsive proposals to clarify aspects of the proposals. However, proposals may be accepted and evaluated without such discussion. The Offerors SHALL NOT initiate discussions.

## **8. Selection of Finalists**

The Evaluation Committee will select, and the Procurement Manager will notify the finalist Offerors as per schedule Section II.A, Sequence of Events, or as soon as possible thereafter. A schedule for Oral Presentation, if any, will be determined at this time.

## **9. Oral Presentations**

Finalist Offerors, as selected per Section II.B.8 above, may be required to conduct an oral presentation at a location to be determined as per schedule Section II.A., Sequence of Events, or as soon as possible thereafter. Whether or not Oral Presentations will be held is at the discretion of the Evaluation Committee and STO.

## **10. Best and Final Offers**

After approval of the Evaluation Committee Report, any contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s), taking into consideration the evaluation factors set forth in this RFP, as per Section II.A., Sequence of Events, or as soon as possible thereafter. The most advantageous proposal may or may not have received the most points. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the timeframe specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

## **11. Finalize Contractual Agreements**

After approval of the Evaluation Committee Report, any contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s), taking into

consideration the evaluation factors set forth in this RFP, as per Section II.A., Sequence of Events, or as soon as possible thereafter. The most advantageous proposal may or may not have received the most points. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the timeframe specified, the State reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

## **12. Contract Awards**

Upon receipt of the signed contractual agreement, the Agency Procurement office will award as per Section II.A., Sequence of Events, or as soon as possible thereafter. The award is subject to appropriate Department and State approval.

## **13. Protest Deadline**

Any protest by an Offeror must be timely submitted and in conformance with §13-1-172, NMSA 1978 and applicable procurement regulations. As a Protest Manager has been named in this Request for Proposals, pursuant to §13-1-172, NMSA 1978 and 1.4.1.82 NMAC, ONLY protests delivered directly to the Protest Manager in writing and in a timely fashion will be considered to have been submitted properly and in accordance with statute, rule and this Request for Proposals. The 15 calendar day protest period shall begin on the day following the notice of award of contract(s) and will end at 5:00 pm MST/MDT on the 15th day. Protests must be written and must include the name and address of the protestor and the request for proposal number. It must also contain a statement of the grounds for protest including appropriate supporting exhibits and it must specify the ruling requested from the party listed below. The protest must be delivered to:

Lizzy Ratnaraj  
Chief Financial Officer  
New Mexico State Treasurer's Office  
2055 S Pacheco St., Suite 100  
Santa Fe, NM 87505

**PROTESTS RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

## **C. GENERAL REQUIREMENTS**

### **1. Acceptance of Conditions Governing the Procurement**

Offerors must indicate their acceptance to be bound by the Conditions Governing the Procurement, Section II.C, and Evaluation, Section V, by completing and signing the Letter of Transmittal form, pursuant to the requirements in Section II.C.30, located in APPENDIX E.

### **2. Incurring Cost**

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



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

### **3. Prime Contractor Responsibility**

Any contractual agreement that may result from this RFP shall specify that the prime contractor is solely responsible for fulfilling all requirements of the contractual agreement with a State Agency which may derive from this RFP. The State Agency, when entering into a contractual agreement with a vendor, will make payments only to the prime contractor.

### **4. Subcontractors/Consent**

The use of subcontractors is not allowed. The prime contractor shall be wholly responsible for the entire performance of the contractual agreement, whether or not subcontractors are used. Additionally, the prime contractor must receive approval, in writing, from the agency awarding any resultant contract before any subcontractor is used during the term of this agreement.

### **5. Amended Proposals**

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

### **6. Offeror's Rights to Withdraw Proposal**

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

The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations, 1.4.1.5 & 1.4.1.36 NMAC.

### **7. Proposal Offer Firm**

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

### **8. Disclosure of Proposal Contents**

The contents of all submitted proposals will be kept confidential until the Agency has completed the final award. At that time, all proposals and documents pertaining to the proposals will be available for public inspection, *except* for proprietary or confidential material as follows:

- a. ***Proprietary and Confidential information is restricted to:***
  1. confidential financial information concerning the Offeror's organization; and
  2. information that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, §§57-3A-1 through 57-3A-7 NMSA 1978.
- b. An additional but separate redacted version of the Offeror's proposal, as outlined and identified in Section III.B.2.a, shall be submitted containing the blacked-out proprietary or confidential information in order to facilitate eventual public inspection of the non-confidential version of the Offeror's proposal.

**IMPORTANT:** The price of products offered, or the cost of services proposed **SHALL NOT** be designated as proprietary or confidential information.

If a request is received for disclosure of proprietary or confidential materials, the Agency shall examine the request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection, subject to any continuing prohibition on the disclosure of proprietary or confidential information.

## **9. No Obligation**

This RFP in no manner obligates the State of New Mexico or any of its Agencies to the use of any Offeror's services until a valid written contract is awarded and approved by appropriate authorities.

## **10. Termination**

This RFP may be canceled at any time, and any and all proposals may be rejected in whole or in part when the Agency determines that such action is in the best interest of the State of New Mexico.

## **11. Sufficient Appropriation**

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such terminations will be affected by sending written notice to the contractor. The Agency's decision as to whether sufficient appropriations and authorizations are available will be accepted by the contractor as final.

## **12. Legal Review**

The Agency requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly submitted in writing to the attention of the Procurement Manager.

### 13. Governing Law

This RFP and any agreement with an Offeror which may result from this procurement shall be governed by the laws of the State of New Mexico.

### 14. Basis for Proposal

Only information supplied in writing by the Procurement Manager or contained in this RFP shall be used as the basis for the preparation of Offeror proposals.

### 15. Contract Terms and Conditions

The contract between an agency and a contractor will follow the format specified by the Agency and contain the terms and conditions set forth in the Draft Contract Appendix C. However, the contracting agency reserves the right to negotiate provisions in addition to those contained in this RFP (Draft Contract) with any Offeror. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of any resultant contract.

The Agency discourages exceptions from the contract terms and conditions as set forth in the RFP Draft Contract. Such exceptions may cause a proposal to be rejected as nonresponsive when, in the sole judgment of the Agency (and the Evaluation Committee), the proposal appears to be conditioned on the exception or correction of what is deemed to be a deficiency or an unacceptable exception is proposed which would require a substantial proposal rewrite to correct.

Should an Offeror object to any of the terms and conditions as set forth in the RFP Draft Contract (APPENDIX C) strongly enough to propose alternate terms and conditions in spite of the above, the Offeror must propose **specific** alternative language. The Agency may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions of the Draft Contract are not acceptable to the Agency and will result in disqualification of the Offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

## **16. Offeror's Terms and Conditions**

Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the Agency. See Section II.C.15 for requirements.

## **17. Contract Deviations**

Any additional terms and conditions, which may be the subject of negotiation (such terms and conditions having been proposed during the procurement process, that is, the RFP process prior to selection as successful Offeror), will be discussed only between the Agency and the Offeror selected and shall not be deemed an opportunity to amend the Offeror's proposal.

## **18. Offeror Qualifications**

The Evaluation Committee may make such investigations as necessary to determine the ability of the potential Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any potential Offeror who is not a Responsible Offeror or fails to submit a Responsive Offer as defined in §13-1-83 and §13-1-85 NMSA 1978.

## **19. Right to Waive Minor Irregularities**

The Evaluation Committee reserves the right to waive minor irregularities, as defined in Section I.F.19. The Evaluation Committee also reserves the right to waive mandatory requirements, provided that **all** of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

## **20. Change in Contractor Representatives**

The Agency reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the Agency, adequately meeting the needs of the Agency.

## **21. Notice of Penalties**

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

## **22. Agency Rights**

The Agency in agreement with the Evaluation Committee reserves the right to accept all or a portion of a potential Offeror's proposal.

### **23. Right to Publish**

Throughout the duration of this procurement process and contract term, Offerors and contractors must secure from the agency written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement and/or agency contracts deriving from this procurement. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or removal from the contract.

### **24. Ownership of Proposals**

All documents submitted in response to the RFP shall become property of the State of New Mexico. If the RFP is cancelled, all responses received shall be destroyed by the Agency or SPD.

### **25. Confidentiality**

Any confidential information provided to, or developed by, the contractor in the performance of the contract resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the contractor without the prior written approval of the Agency.

The Contractor(s) agrees to protect the confidentiality of all confidential information and not to publish or disclose such information to any third party without the procuring Agency's written permission.

### **26. Electronic mail address required**

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence. (See also Section II.B.5, Response to Written Questions).

### **27. Use of Electronic Versions of this RFP**

This RFP is being made available electronically. In the event of a conflict between a version of the RFP in the Offeror's possession and the version maintained by the agency, the Offeror acknowledges that the version maintained by the agency shall govern. Please refer to: <https://www.nmsto.gov>

### **28. New Mexico Employees Health Coverage**

A. If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees if the

expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000.

- B. The offeror must agree to maintain a record of the number of 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. These records are subject to review and audit by a representative of the state.
- C. The offeror must agree to advise all employees of the availability of state publicly financed health care coverage programs by providing each employee with, at a minimum, the following website link to additional information: <https://bewellnm.com>.
- D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the Offeror reports combined sales (from state and, if applicable, from local public bodies if from a state price agreement) of \$250,000.

## 29. Campaign Contribution Disclosure Form

The offeror must complete, sign, and return the Campaign Contribution Disclosure Form (APPENDIX B) as a part of their proposal. This requirement applies regardless of whether a covered contribution was made or not made for the positions of Governor and Lieutenant Governor or other identified official. **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

## 30. Letter of Transmittal

The offeror's proposal must be accompanied by a Letter of Transmittal Form (APPENDIX E), which must be **signed** by the individual authorized to contractually obligate the company, identified in #2 below.

Provide the following information:

1. Identify the submitting business entity; Name, Mailing Address, Phone Number, Federal Tax ID Number (TIN), and New Mexico Business Tax ID Number (BTIN, formerly CRS);
2. Identify the Name, Title, Telephone, and E-mail address of the person authorized by the Offeror's organization to (A) contractually obligate the business entity providing the Offer, (B) negotiate a contract on behalf of the organization; and/or (C) provide clarifications or answer questions regarding the Offeror's proposal content (*A response to B and/or C is only necessary if the responses differs from the individual identified in A*);
3. Identify any subcontractor/s that may be utilized in the performance of any resultant contract award;
4. Identify any other entity/-ies (such as State Agency, reseller, etc., that is not a subcontractor identified in #3) that may be used in the performance of this awarded contract; and

5. The individual identified in #2 above must sign and date the form, attesting to the veracity of the information provided and acknowledging (a) the organization's acceptance of the Conditions Governing the Procurement stated in Section II.C.1, (b) the organization's acceptance of the Section V Evaluation Factors, and (c) receipt of any and all amendments to the RFP.

**Failure to submit a signed Letter of Transmittal Form (Appendix E) will result in Offeror's disqualification.**

### **31. Disclosure Regarding Responsibility**

- A. 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.)
- B. 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.

- C. 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.
- D. 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.
- E. 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.
- F. 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.

### **32. New Mexico and Native American Business Preferences**

To ensure adequate consideration and application of §13-1-21 NMSA 1978 (as amended), the Offeror **must** submit a copy of its valid **New Mexico Resident or Native American Resident Business Preference Certificate or its valid New Mexico Resident Veteran or Native American Resident Veteran Business Preference with its proposal**. Certificates for preferences must be obtained through the New Mexico Department of Taxation & Revenue <http://www.tax.newmexico.gov/Businesses/in-state-veteran-preference-certification.aspx>.

- 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.

An agency shall not award a business both a resident business preference and a resident veteran business preference.

### III. RESPONSE FORMAT AND ORGANIZATION

#### A. NUMBER OF RESPONSES

Offerors shall submit only one proposal **electronically** in response to this RFP.

Any proposal that does not adhere to the requirements of this **Section II.B** and **Section III.C Proposal Content and Organization** may be deemed non-responsive and rejected on that basis.

##### 1. Electronic Submission Requirements

- a. **Follow all submission instructions** - Proposals must be submitted in the manner outlined in Sections III.B.2 and III.B.3, and organized in accordance with Section III.C. Technical and Cost portions of Offerors proposal must be submitted as **separate uploads** and must be prominently identified as “Technical Proposal,” or “Cost Proposal,” on the front page of each upload.
  - b. **Complete proposal upload prior to submission deadline** - *The Offeror is responsible for ensuring all documents are completely submitted electronically via the procurement manager email address by the deadline set forth in this RFP. **NO LATE OFFER CAN BE ACCEPTED.***
  - c. **Submit a single Technical file and a single Cost file, unless a document exceeds 50 MB.** The Offeror needs only to submit one single electronic copy of each portion of its proposal (one Technical and one Cost), as outlined in Sections III.B.2 and III.B.3. *EXCEPTION: Single electronic files that exceed 50 MB may be submitted as multiple uploads, which must be **the least number of uploads necessary to fall under the 50 mb limit.***
  - d. **DO NOT upload .zip files** - In accordance with the State of New Mexico’s Information Technology (IT) policies and procedures, we are unable to accept .zip files. See Section II.B.1.d, above, for the requirements for uploading large files.
  - e. **DO NOT password-protect proposal documents** – The STO system is secure, and accessible only to STO personnel, through a password-protected login. Confidential information must adhere to the requirements of Section II.C.8 and must be submitted pursuant to Section II.B.2.a.
2. **Technical Proposal** – One (1) ELECTRONIC submission must be organized in accordance with **Section III.C.1. Proposal Format**. All information for the Technical Proposal **must be combined into a single file/document for submission.** *EXCEPTION: Single electronic files that exceed 50 MB may be submitted as multiple uploads, which must be the least number of uploads necessary to fall under the 50 MB limit.* ***The Technical Proposal SHALL NOT contain any Cost information.***

- a. **Confidential Information**: If Offeror’s proposal contains confidential information, as defined in Section I.F.5 and detailed in Section II.C.8, Offeror **must** submit **two (2) separate ELECTRONIC technical files** :
  - i. One (1) ELECTRONIC version of the requisite proposals identified in Section III.B.2, above, as an **unredacted** (def. Section I.F.38) version for evaluation purposes; **and**
  - ii. One (1) **redacted** (def. Section I.F.26) ELECTRONIC for the public file, in order to facilitate eventual public inspection of the non-confidential version of Offeror’s proposal. Redacted versions **must** be clearly marked as “REDACTED” or “CONFIDENTIAL” on the first page of the electronic file;
  
3. **Cost Proposal** – One (1) ELECTRONIC upload of the proposal containing **ONLY** the Cost Proposal. All information for the cost proposal **must be combined into a single file/document for uploading**. *EXCEPTION: Single electronic files that exceed 50 MB may be submitted as multiple uploads, which must be the least number of uploads necessary to fall under the 50 MB limit*

## **B. PROPOSAL CONTENT AND ORGANIZATION**

All proposals must be submitted as follows:

Organization of files for electronic copy proposals:

### 1. Proposal Content and Organization

Direct reference to pre-prepared or promotional material may be used if referenced and clearly marked. Promotional material must be minimal. The proposal must be organized and indexed in the following format and must contain, at a minimum, all listed in the sequence indicated.

#### **Technical Proposal – DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL PROPOSAL.**

1. Signed Letter of Transmittal
2. Signed Campaign Contribution Form
3. Table of Contents
4. Proposal Summary (Optional)
5. Response to Contract Terms and Conditions (from Section II.C.15)
6. Offeror’s Additional Terms and Conditions (from Section II.C.16 )
7. Response to Specifications (**except Cost information which shall be included ONLY in Cost Proposal**)
  - a. Organizational Experience
  - b. Organizational References
  - c. Oral Presentation (if applicable)
  - d. Mandatory Specification
  - e. Desirable Specification
  - f. New Mexico and Native American Resident Business Preferences (if applicable)

8. Other Supporting Material (if applicable)

**Cost Proposal:**

1. Completed Cost Response Form (APPENDIX D)

Within each section of the proposal, Offerors should address the items in the order indicated above. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the proposal. Any and all discussion of proposed costs, rates, or expenses must occur ONLY in the Cost Proposal upload.

A Proposal Summary may be included in the Offeror's Technical Proposal upload to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the Offeror's proposal. **DO NOT INCLUDE COST INFORMATION IN THE PROPOSAL SUMMARY.**

## **IV. SPECIFICATIONS**

### **A. DETAILED SCOPE OF WORK**

The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2024 in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

### **B. TECHNICAL SPECIFICATIONS**

#### **1. Organizational Experience**

Offeror **must**:

- a) provide a description of relevant corporate experience with state government and private sector. The narrative must thoroughly describe how the Offeror has supplied expertise for similar contracts and must include the extent of their experience, expertise, and knowledge as a provider of audit services in the public sector.
- b) provide a description and bio of all key personnel Offeror proposes to use in the performance of the resulting contract, should Offeror be awarded. Key personnel are identified as field managers and auditors. Offeror must include key personnel education, work experience, and relevant/applicable certifications/licenses.
- c) describe at least two project successes and failures of an audit services engagement. Include how each experience improved the Offeror's services.

#### **2. Organizational References**

The offeror must provide a list of a minimum of three (3) references from similar projects/programs performed for private, state, or large local government clients within the last three (3) years.

Offeror shall include the following Business Reference information as part of its proposals:

- a) Client name;
- b) Project description;
- c) Project dates (starting and ending);
- d) Technical environment (i.e., general ledger system, accounting software);
- e) Staff assigned to reference engagement that will be designated for work per this RFP; and
- f) Client project manager name, telephone number, fax number, and e-mail address.

Offeror is required to submit APPENDIX F, Organizational Reference Questionnaire ("Questionnaire"), to the business references it lists. The business references must submit

the Questionnaire directly to the designee identified in APPENDIX F. The business references must not return the completed Questionnaire to the Offeror. It is the Offeror's responsibility to ensure the completed forms are submitted on or before the date indicated in Section II.A, Sequence of Events, for inclusion in the evaluation process.

Organizational References that are not received or complete may adversely affect the Offeror's score in the evaluation process. Offerors are encouraged to specifically request that their Organizational References provide detailed comments.

### **3. Mandatory Specification**

#### Mandatory Specification

A. **Proposed Audit Plan.** Offerors must give a detailed response to the scope of work and explain how they will perform audit services in the investment accounting and compliance area. Explain in detail the Offeror's experience in investment-type audits, auditing securities, and auditing statewide cash balances. Explain what prior work was similar. Give a detailed explanation of the Offeror's knowledge of the Schedule of Fiduciary Net Position and changes in Fiduciary Net Position.

Offerors must submit a thorough project plan as part of the proposal. At a minimum, the project plan must include a milestone chart, including tasks to be performed, the timeframe, and the proposed staff member designated for completing each task. In developing the work plan, references should be made to such sources of information as the Agency's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Offerors must explain how the following information will be included in their audit approach:

1. Proposed segmentation of the engagement with preparation of working trial balances, financial statements, and supporting documents by Agency personnel.
2. Level of staff and number of hours to be assigned to each proposed engagement segment.
3. Sample sizes and the extent to which statistical sampling will be used in the engagement.
4. Extent of use of accounting software in the engagement.
5. Type and extent of analytical procedures to be used in the engagement.
6. Approach to be taken to gain and document an understanding of the Agency's internal control structure.
7. Approach to be taken in drawing audit samples for purposes of tests of compliance.
8. Approach to be taken in auditing investment accounting.

B. **Delivery and Reproduction.** Offeror must have the ability to meet the requirements as stated in Appendix C.

A statement of concurrence must be submitted in the Offeror's proposal.

#### 4. Desirable Specification

STO manages and invests the State's operating liquidity funds. As such, STO seeks a firm with investing accounting and compliance experience. Please describe your firm's investment accounting experience and the approach taken when performing audits for organizations involved in investing.

### C. BUSINESS SPECIFICATIONS

#### 1. Letter of Transmittal Form

The Offeror's proposal **must** be accompanied by the Letter of Transmittal Form located in APPENDIX E. The form **must** be completed and must be signed by the person authorized to obligate the company. **Failure to submit a signed form will result in Offeror's disqualification.**

#### 2. Campaign Contribution Disclosure Form

The Offeror must complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX B). **Failure to complete and return the signed, unaltered form will result in Offeror's disqualification.**

#### 3. Oral Presentation

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

If oral presentations are held, the finalist Offeror(s) may be required to explain, demonstrate, detail, and/or clarify any aspect of its submitted proposal, to which the Evaluation Committee may ask questions and/or seek clarifications. Pursuant to Section II.B.9, Oral Presentations may be held at the Evaluation Committee's sole discretion.

#### 4. Cost

Offerors must complete the Cost Response Form in APPENDIX D. Cost will be measured by the formula indicated in Section V.B.8.

#### 5. New Mexico and Native American Business Preferences

To ensure application of § 13-1-21 NMSA 1978 (as amended), an Offeror **MUST** submit a copy, in this section, of its valid New Mexico Resident or Native American Resident Business Preference Certificate, or its valid New Mexico Resident Veteran or Native

American Resident Veteran Business Preference Certificate, as issued by the New Mexico Taxation and Revenue Department.

## V. EVALUATION

### A. EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used to evaluate individual potential Offeror proposals by sub-category.

<b>Evaluation Factors</b> <i>(Correspond to Sections IV.B and IV.C)</i>	<b>Points Available</b>
<b>B. Technical Specifications</b>	
B. 1. Organizational Experience	200
B. 2. Organizational References	120
B. 3. Mandatory Specification	
a. Proposed Audit Plan	250
b. Delivery and Reproduction	30
B. 4. Desirable Specification	50
<b>C. Business Specifications</b>	
C.1 Letter of Transmittal	Pass/Fail
C.2 Campaign Contribution Disclosure Form	Pass/Fail
C.3 Oral Presentations (at STO’s discretion)	50
C.4. Cost	150
C.5.A New Mexico or Native American Resident Business Preference	50
C.5.B New Mexico or Native American Resident Veteran Preference	100
<b>TOTAL POINTS AVAILABLE</b>	<b>1,000</b>

Table 1: Evaluation Point Summary

### B. EVALUATION FACTORS

#### 1. B.1 Organizational Experience (See Table 1)

Points will be awarded based on the thoroughness and clarity of the Offeror’s response in this Section. The Evaluation Committee will also weigh the relevancy and extent of the Offeror’s experience, expertise, and knowledge of personnel education, experience, and certifications/licenses. In addition, points will be awarded based on the Offeror’s candid and well-thought-out response to successes and failures, as well as the ability of the Offeror to learn from its failures and grow from its successes.



## **2. B.2 Organizational References (See Table 1)**

Points will be awarded based on an evaluation of the responses to a series of questions on the Organizational Reference Questionnaire (Appendix F). Offerors will be evaluated on references that show positive service history, successful execution of services, and evidence of satisfaction by each reference. References indicating significantly similar services/scopes of work and comments provided by a submitted reference will add weight and value to a recommendation during the evaluation process. Points will be awarded for each individual response up to 1/3 of the total points for this category. A lack of a response will receive zero (0) points.

The Evaluation Committee may contact any or all business references to validate the information submitted. If this step is taken, the Procurement Manager and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Procurement Manager and all members of the Evaluation Committee receive the same information. Additionally, the Agency reserves the right to consider any and all information available to it (outside of the Organizational Reference information required herein), in its evaluation of Offeror responsibility per Section II.C.18.

## **3. B.4 Mandatory Specifications**

Offerors will be rated on a.) Proposed Audit Plan involving investment accounting; and the ability to meet the requirements under the section b.) Delivery and Reproduction as seen in Appendix C.

## **4. B.5 Desirable Specifications**

Offerors will be rated on prior investment accounting experience, including the depth, knowledge, size of portfolios, key personnel, and resources associated with auditing investing organizations.

## **5. C.1 Letter of Transmittal (See Table 1)**

Pass/Fail only. No points are assigned.

## **6. C.4 Campaign Contribution Disclosure Form (See Table 1)**

Pass/Fail only. No points are assigned.

## **7. C.5 Oral Presentation (See Table 1)**

Points will be awarded based on the quality, organization, and effectiveness of communication of the information presented, as well as the professionalism of the presenters and the technical knowledge of the proposed staff. Prior to the Oral Presentation, the Agency will provide the Offeror with a presentation agenda. (If no Oral Presentations are held, all Offerors will receive the maximum total points for this Evaluation Factor.)

**8. C.6 Cost (See Table 1)**

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

$$\frac{\text{Lowest Responsive Offeror’s Cost}}{\text{Each Offeror’s Cost}} \times \text{Available Award Points}$$

**9. C.7. New Mexico or Native American Resident Preferences**

Percentages will be determined based upon the point-based system outlined in § 13-1-21 NMSA 1978 (as amended).

**A. New Mexico Resident Business Preference / Native American Resident Business Preference**

If an Offeror has provided a copy of its New Mexico Resident Preference Certificate or Native American Resident Preference Certificate, the points awarded will be calculated as 5% of the total points available in this RFP.

**B. New Mexico Resident Veteran or Native American Resident Veteran Business Preference**

If an Offeror has provided a copy of its New Mexico Resident Veteran Preference Certificate or Native American Resident Veteran Preference Certificate, the points awarded will be calculated as 10% of the total points available in this RFP.

**C. EVALUATION PROCESS**

1. All Offeror proposals will be reviewed for compliance with the requirements and specifications stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the Offeror for clarification of the response as specified in Section II. B.7.
3. Responsive proposals will be evaluated on the factors in Section IV, which have been assigned a point value in Section V. The responsible Offerors with the highest scores may be selected as finalist Offerors, based upon the proposals submitted. In accordance with §13-1-117 NMSA 1978, the responsible Offerors whose proposals are most advantageous to the State, taking into consideration the Evaluation Factors in Section V, will be recommended for the award (as specified in Section II.B.12). Please note, however, that a serious deficiency in response to any one factor may be grounds for rejection regardless of the overall score.

## **APPENDIX A**

### **ACKNOWLEDGEMENT OF RECEIPT FORM**

## APPENDIX A

### REQUEST FOR PROPOSAL

New Mexico Office of the State Treasurer  
RFP# 24-394-000000002

### ACKNOWLEDGEMENT OF RECEIPT FORM

This optional Acknowledgement of Receipt Form establishes a distribution list to be used for the distribution of written responses to questions and/or any amendments to the RFP. Failure to return the Acknowledgement of Receipt Form does not prohibit potential Offerors from submitting a response to this RFP. However, by not returning the Acknowledgement of Receipt Form, the potential Offeror's representative shall not be included on the distribution list and will be solely responsible for obtaining from the Procurement Library (Section I.G.) responses to written questions and any amendments to the RFP.

The information below will be used for all correspondence related to the Request for Proposal. Only one contact per Offeror is permitted.

ORGANIZATION: \_\_\_\_\_

CONTACT NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_ PHONE NO.: \_\_\_\_\_

E-MAIL: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

**Submit Acknowledgement of Receipt Form to:**

To: Alisha Dominick

E-mail: [Alisha.Dominick@sto.nm.gov](mailto:Alisha.Dominick@sto.nm.gov)

Subject Line: STO Professional Audit Services RFP#24-394-000000002

## APPENDIX B

### CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-28, *et seq.* NMSA 1978 and § 13-1-191.1 NMSA 1978 (2006), as amended by Laws of 2007, Chapter 234, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars (\$250) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give 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 during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to Section [13-1-181](#) NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section [13-1-182](#) NMSA 1978 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or 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.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“**Applicable public official**” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the

authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

**“Campaign Contribution”** means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

**“Family member”** means a spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

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

**“Prospective contractor”** means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [Sections [13-1-28](#) through [13-1-199](#) NMSA 1978] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

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

**Name(s) of Applicable Public Official(s) if any:** Honorable Laura M. Montoya

**DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:**

Contribution Made By: \_\_\_\_\_

Relation to Prospective Contractor: \_\_\_\_\_

Date Contribution(s) Made: \_\_\_\_\_  
\_\_\_\_\_

Amount(s) of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_

Nature of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_

Purpose of Contribution(s) \_\_\_\_\_  
\_\_\_\_\_

(Attach extra pages if necessary)

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Title (position)

**--OR--**

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

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Title (Position)

## **APPENDIX C**

### **DRAFT CONTRACT**

**The Agreement in Appendix C represents the contract the Agency intends to use to make an award derived from the template provided by the New Mexico Office of the State Auditor. The State of New Mexico and the Agency reserve the right to modify the Agreement prior to or during the award process as necessary.**



Contract No. [FILLED IN BY OSA-CONNECT]

**STATE OF NEW MEXICO  
AUDIT CONTRACT  
(State Agencies with GSB/CRB Approval)**

[FILLED IN BY OSA-CONNECT]

---

hereinafter referred to as the "Agency," and

[FILLED IN BY OSA-CONNECT]

---

hereinafter referred to as the "Contractor," agree:

**As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.**

**1. SCOPE OF WORK** (Include in Paragraph 26 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2021 in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

**2. DELIVERY AND REPRODUCTION**

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor no later than **sixty days** after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than the deadline set forth for the Agency in NMAC Section 2.2.2.9:
- (1) an organized, bound and paginated hard copy of the Agency's audit report for review;
  - (2) a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C 580; and
  - (3) a copy of the completed State Auditor Report Review Guide available at [www.osanm.org](http://www.osanm.org);

- B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond the deadline set forth for the Agency in NMAC Section 2.2.2.9**. This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.
- C. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.
- E. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- F. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, Fund Balances, and any GASB 77 data (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver [FILLED IN BY OSA-CONNECT] copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- G. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed data collection form and the reporting package described in § 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

**3. COMPENSATION**

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed [FILLED IN BY OSA-CONNECT] **plus applicable gross receipts tax.**
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

<b>SERVICES</b>	<b>AMOUNTS</b>
(1) Financial statement audit	[FILLED IN BY OSA-CONNECT]
(2) Federal single audit	[FILLED IN BY OSA-CONNECT]
(3) Financial statement preparation	[FILLED IN BY OSA-CONNECT]
(4) Other nonaudit services, such as depreciation schedule updates	[FILLED IN BY OSA-CONNECT]
(5) Other (i.e., foundations or other component units, specifically identified)	[FILLED IN BY OSA-CONNECT]

Total Compensation = [FILLED IN BY OSA-CONNECT] plus applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 95% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. **TERM.**

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR AND THE NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the date on which it is signed by the Department of Finance and Administration.

5. **TERMINATION, BREACH AND REMEDIES**

A. This Contract may be terminated:

- (1) By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
- (2) By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with this Contract shall constitute a material breach of this Contract.
- (3) By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
- (4) By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. **THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.**

6. **STATUS OF CONTRACTOR**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor

and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **ASSIGNMENT**

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

8. **SUBCONTRACTING**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

9. **RECORDS**

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency or the State Auditor. The Agency or the State Auditor may audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. **RELEASE**

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

11. **CONFIDENTIALITY**

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

**12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE**

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. The Contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However, DFA should not provide to any third party, other than the CAFR auditor, the Agency's draft audit reports or their opinion letters or findings.

**13. CONFLICT OF INTEREST**

The Contractor represents and 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. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

**14. INDEPENDENCE**

The Contractor represents and warrants 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 NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

**15. AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

**16. MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

**17. APPLICABLE LAW**

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

**18. AGENCY BOOKS AND RECORDS**

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

**19. APPROPRIATIONS**

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

**20. PENALTIES FOR VIOLATION OF LAW**

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

**21. EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color,

national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

**22. WORKING PAPERS**

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.
- B. The Contractor shall follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

**23. DESIGNATED ON-SITE STAFF**

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is [FILLED IN BY OSA-CONNECT]. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

**24. 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.

**25. OTHER PROVISIONS**

[FILLED IN BY OSA-CONNECT]



**SIGNATURE PAGE**

This Contract is made effective as of the date of the signature of the General Services Department/Contracts Review Bureau.

**AGENCY**

**CONTRACTOR**

[FILLED IN BY OSA-CONNECT]

[FILLED IN BY OSA-CONNECT]

PRINTED  
NAME: \_\_\_\_\_

PRINTED  
NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**STATE AGENCY**

**AGENCY CFO**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: GENERAL COUNSEL

TITLE: CHIEF FINANCIAL OFFICER

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

This Contract has been approved by:

**GENERAL SERVICES DEPARTMENT**  
**CONTRACTS REVIEW BUREAU**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

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

ID No. \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

State Auditor Contract No. [FISCAL YEAR]-[AGENCY NUMBER]

**APPENDIX D**  
**COST RESPONSE FORM**

New Mexico Office of the State Treasurer  
**Professional Audit Services RFP# 24-394-000000002**

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

As seen in Appendix C.

Fiscal Year 1 Audit: (07/01/2023 thru 06/30/2024) Price:\$ \_\_\_\_\_

Fiscal Year 2 Audit: (07/01/2024 thru 06/30/2025) Price:\$ \_\_\_\_\_

Fiscal Year 3 Audit: (07/01/2025 thru 06/30/2026) Price:\$ \_\_\_\_\_

Fiscal Year 4 Audit: (07/01/2026 thru 06/30/2027) Price:\$ \_\_\_\_\_

## **APPENDIX E**

### **LETTER OF TRANSMITTAL FORM**

## ***APPENDIX E***

### ***Letter of Transmittal Form***

Please complete this form in its entirety. Failure to **sign and/or submit** this form will result in the disqualification of the Offeror's proposal.

**Professional Audit Services RFP#: 24-394-00000002**

**1. Identify the following information for the submitting organization:**

<b>Offeror Name</b>	
<b>Mailing Address</b>	
<b>Telephone</b>	
<b>FED TIN#</b>	
<b>NM BTIN#</b>	

**2. Identify the individual(s) authorized by the organization to (A) contractually obligate, (B) negotiate, and/or (C) clarify/respond to queries on behalf of this Offeror:**

	<b>A Contractually Obligate</b>	<b>B Negotiate*</b>	<b>C Clarify/Respond to Queries*</b>
<b>Name</b>			
<b>Title</b>			
<b>E-mail</b>			
<b>Telephone</b>			

\* If the individual identified in Column A also performs the functions identified in Columns B & C, then no response is required for those Columns. If separate individuals perform the functions in Columns B and/or C, they must be identified.

**3. Will any subcontractor/s be used in the performance of any resultant contract? (Select one):**

No.  
 Yes. Identify subcontractor/s: \_\_\_\_\_

**4. Will any other entity/-ies (such as a State Agency, reseller, etc., that is not a subcontractor identified in #3 above) be used in the performance of any resultant contract? (Select one)**

No.  
 Yes. Identify entity/-ies: \_\_\_\_\_

**By signing the form below, the Authorized Signatory attests to the accuracy and veracity of the information provided on this form, and explicitly acknowledges the following:**

- On behalf of the submitting-organization identified in item #1, above, I accept the Conditions Governing the Procurement, as required in Section II.C.1. of this RFP;
- I concur that submission of our proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP; and
- I acknowledge receipt of any and all amendments to this RFP, if any.

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

*(Must be signed by the individual identified in item #2.A, above.)*

## **APPENDIX F**

### **ORGANIZATIONAL REFERENCE QUESTIONNAIRE**

The State of New Mexico, as a part of the RFP process, requires Offerors to list a minimum of three (3) organizational references in their proposals. The purpose of these references is to document the Offeror's experience relevant to Section IV.A, Detailed Scope of Work, in an effort to evaluate the Offeror's ability to provide goods and/or services, performance under similar contracts, and ability to provide knowledgeable and experienced staffing.

Offeror is required to send the following Organizational Reference Questionnaire to each business reference listed in its proposal, as per Section IV.B.2. The business reference, if it chooses to respond, is required to submit its response to the Organizational Reference Questionnaire directly to: Lizzy Ratnaraj by 5:00 MST/MDT on April 24, 2024, for inclusion in the evaluation process. The Questionnaire and information provided will become a part of the submitted proposal. Businesses/Organizations providing references may be contacted to validate the content provided therein.

**NEW MEXICO OFFICE OF THE STATE TREASURER  
PROFESSIONAL AUDIT SERVICES RFP # 24-394-000000200  
ORGANIZATIONAL REFERENCE QUESTIONNAIRE  
FOR:**

\_\_\_\_\_  
(Name of Offeror)

This form is being submitted to your company for completion as a reference for the organization listed above. Submit this Questionnaire to the State of New Mexico, Office of the Treasurer via e-mail at:

Name: Lizzy Ratnaraj  
Email: Lizzy.Ratnaraj@sto.nm.gov

Forms must be submitted no later than 5:00 pm MDT on April 24, 2024 and **must not** be returned to the organization requesting the reference. References are **strongly encouraged** to provide comments in response to organizational ratings. The comments you provide will help the State evaluate the above-referenced Offeror’s service history, successful execution of services and evidence of customer/client satisfaction.

**For questions or concerns regarding this form**, please contact the State Treasurer’s Office, Chief Financial Officer, Lizzy Ratnaraj, at (505) or [Lizzy.Ratnaraj@sto.nm.gov](mailto:Lizzy.Ratnaraj@sto.nm.gov). When contacting the Chief Financial Officer, include the Request for Proposal number provided at the top of this page.

<b>Organization providing reference</b>	
<b>Contact name and title/position</b>	
<b>Contact telephone number(s)</b>	
<b>Contact e-mail address</b>	
<b>Project description</b>	
<b>Project dates (start and end dates)</b>	
<b>Technical environment for the project you are providing a reference (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);</b>	

QUESTIONS:

1. In what capacity have you worked with this vendor in the past?

COMMENTS:

2. How would you rate this firm's knowledge and expertise?

\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

3. How would you rate the vendor's flexibility relative to changes in the project scope and timelines?

\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

4. What is your level of satisfaction with hard-copy materials produced by the vendor?

\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable, N/A = Not applicable)

COMMENTS:

5. How would you rate the dynamics/interaction between vendor personnel and your staff?

\_\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

COMMENTS:

6. Who are/were the vendor's principal representatives involved in your project and how would you rate them individually? Would you, please, comment on the skills, knowledge, behaviors or other factors on which you based the rating?

\_\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

Name: \_\_\_\_\_ Rating:

Name: \_\_\_\_\_ Rating:

Name: \_\_\_\_\_ Rating:

Name: \_\_\_\_\_ Rating:

COMMENTS:

7. How satisfied are/were you with the products developed by the vendor?

\_\_\_\_\_ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable, N/A = Not applicable)

COMMENTS:



8. Which aspect(s) of this vendor's services are/were you most satisfied with?

COMMENTS:

9. Which aspect(s) of this vendor's services were you least satisfied with?

COMMENTS:

10. Did your audit involve any investment or fiduciary activities? If so, how would you assess the vendor's knowledge base and experience in this?

COMMENTS:

11. Were there factors involved with the vendor that caused your audit to be submitted after its required deadline?

COMMENTS:

12. Would you recommend this vendor's services to your organization again?

COMMENTS: