

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

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**REQUEST FOR PROPOSAL**

**Date:** March 6, 2012

**REQUEST FOR PROPOSALS NO.** 2012-03-A

**PROPOSAL DUE DATE:** Monday, March 26, 2012 1:00 PM, MST

**MATERIAL AND/OR SERVICE:** Financial Audit Services (Multi Year Contract)

**OPENING LOCATION:** TOMBSTONE UNIFIED SCHOOL DISTRICT #1  
Business Office, 411 North 9th Street, Tombstone, AZ 85638

Pre-Proposal Conference: None

**Offerors are strongly encouraged to carefully read the entire Request for Proposal.**

Proposals must be in the actual possession of the TUSD#1 Business Office on or prior to the exact time and date indicated above. Proposals received by the correct time and date will be opened and the name of each offeror will be publicly read. Proposals received after the specific due date and time will be returned unopened.

Proposals must be submitted in a sealed envelope properly addressed to the TUSD#1 Business Office with *Request for Proposals, the Proposal Number, Proposal Due Date and Time, and Offeror's Name and Address* clearly indicated on the envelope. The District will not be responsible for late delivery of improperly addressed envelopes. All proposals must be completed in ink or typewritten and a complete Request for Proposal returned along with the offer by the time and date cited above.

TUSD#1 reserves the right to accept or reject any and all proposals or any part thereof, unless specified otherwise, and to waive any minor informalities in any proposal, deemed by us to be in the best interest of the District.

No contract may be awarded solely on the basis of price. The District shall contract with the qualified firm or person whose proposal is determined to be most advantageous to the District based upon the factors set forth in the Request for Proposals. Compensation shall be at an amount, which the District determines is fair and reasonable, taking into account budgetary limitations and scope, complexity, and professional nature of the materials/services.

Any question related to this Request for Proposal shall be directed to the contact person whose name appears below.

CONTACT PERSON: Lisa Reames, Business Manager # (520) 457-2217



DATE: March 6, 2012

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Lisa Reames, Business Manager  
lreames@tombstone.k12.az.us

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**DOCUMENTS REFERENCED:**

You may access a copy of the documents referenced within this proposal at the following web addresses:

Arizona Revised Statutes (A.R.S.) is available at: <http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp>.

The Arizona School District Procurement Rules in the Arizona Administrative Code is available at:  
[http://azsos.gov/public\\_services/Title\\_07/7-02.htm#Article\\_10](http://azsos.gov/public_services/Title_07/7-02.htm#Article_10).

I.R.S W-9 Form (Request for Taxpayer I.D. Number) is available at: <http://www.irs.gov/pub/irs-pdf/iw9.pdf>.

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**UNIFORM INSTRUCTIONS TO OFFERORS**

1. **Definition of Terms**

As used in these instructions, the terms listed below are defined as follows:

- A. **"Attachment"** means any item the Solicitation requires an Offeror to submit as part of the Offer.
- B. **"Contract"** means the combination of the Solicitation, including the uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments (Addenda) or Contract Amendments; and any terms applied by law.
- C. **"Contract Amendment"** means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- D. **"Contractor"** means any person who has a contract with the School District/public entity.

**"Days"** means calendar days unless otherwise specified.

**"Exhibit"** means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the solicitation.

**"Gratuity"** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value present or promised, unless consideration of substantially equal or greater value is received.

**"Offer"** means bid, proposal or quotation.

**"Offeror"** means a vendor who responds to a Solicitation.

**"Procurement Officer"** means the person duly authorized to enter into and administer Contracts and make written determinations with respect to the Contract or his or her designee.

**"Solicitation"** means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).

**"Solicitation Amendment (or Addendum)"** means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.

**"Subcontract"** means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishings of any material or any service required for the performance of the Contract.

**"School District/Public Entity"** means the School District/public entity that executes the contract.

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**2. Inquiries**

- A. Duty to Examine. It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing, and check its Offer for accuracy before submitting the Offer. Lack of care in preparing an Offer shall not be grounds for withdrawing the Offer after the Offer due date and time nor shall it give rise to any Contract claim.
- B. Solicitation Contact Person. Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation, shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquires concerning this Solicitation to any other employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.
- C. Submission of Inquiries. The Procurement Officer or the person identified in the Solicitation as the contact for inquires may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page, and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry since it may then be identified as an Offer and not be opened until after the Offer due date and time.
- D. Timeliness. Any inquiry shall be submitted as soon as possible and at least seven (7) days before the Offer due date and time. Failure to do so may result in the inquiry not being answered.
- E. No Right to Rely on Verbal Responses. Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment or Addendum. An Offeror may not rely on verbal responses to its inquires.
- F. Solicitation Amendments/Addenda. The Solicitation shall only be modified by a Solicitation Amendment or Addendum.
- G. Pre-Offer Conference. If a pre-Offer conference has been scheduled under this Solicitation, the date, time, and location appear on the Solicitation cover sheet or elsewhere in the Solicitation. An Offeror should raise any questions it may have about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment or Addendum.
- H. Persons with Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

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**3. Offer Preparation**

- A. Forms: No Facsimile or Telegraphic Offers. An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same information requested on the form. A facsimile, telegraphic or mailgram offer shall be rejected.
- B. Typed or Ink; Corrections. The Offer must be typed or in ink. Erasures, interlineations or other modifications in the Offer must be initialed in ink by the person signing the Offer. Modifications shall not be permitted after Offers have been opened except as otherwise provided under applicable law.
- C. Evidence of Intent to be Bound. The Offer and Acceptance form within the Solicitation must be submitted with the Offer and must include a signature by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate, and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, shall result in rejection of the Offer.
- D. Exceptions to Terms and Conditions. All exceptions included with the Offer shall be submitted in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Procurement Officer in a written statement. The Offeror's Preprinted or standard terms will not be considered as a part of any resulting Contract.
  - 1. Invitation for Bids: An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.
  - 2. Request for Proposals: All exceptions that are contained in the Offer may negatively affect the proposal evaluation based on the evaluation criteria as stated in the Solicitation or result in rejection of the Offer.
- E. Subcontracts. Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.
- F. Cost of Offer Preparation. The District will not reimburse any Offeror the cost of responding to a Solicitation.
- G. Solicitation Amendments/Addenda. Unless otherwise stated in the Solicitation, each Solicitation Amendment or Addendum shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed copy of a material Solicitation Amendment or Addendum or to follow the instructions for acknowledgement of the Solicitation Amendment/Addendum shall result in rejection of the Offer.
- H. Federal Excise Tax. School Districts/public entities are exempt from Federal Excise Tax on manufactured goods. Exemption Certificates will be prepared upon request.

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- I. Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax number and/or Federal Employer Identification number, if applicable, in the space provided on the Offer and Acceptance Form and provide the tax rate and amount, if applicable, on the Price Sheet.
- J. Identification of Taxes in Offer. School Districts/public entities are subject to all applicable state and local transaction privilege taxes. If Arizona resident Offerors do not indicate taxes on a separate item in the Offer, the School District/public entity will conclude that the price(s) offered includes all applicable taxes.
- K. Disclosure. If the Firm, business, or person submitting this Offer has been debarred, suspended, or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state, or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror must fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above must be provided.
- L. Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:
  - 1. Special Terms and Conditions;
  - 2. Uniform General Terms and Conditions;
  - 3. Statement of Scope of Work;
  - 4. Specifications;
  - 5. Attachments;
  - 6. Exhibits;
  - 7. Special Instructions to Offerors; and
  - 8. Uniform Instructions to Offerors
- M. Delivery. Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destination(s).

**4. Submission of Offer**

- A. Sealed Envelope or Package. Each Offer shall be submitted to the submittal location identified in this Solicitation, in a sealed envelope or package that identifies its contents as an Offer and the Solicitation number to which it responds. The appropriate Solicitation number shall be plainly marked on the outside of the outer most envelope or package.
- B. Offer Amendment or Withdrawal. An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.

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- C. Public Record. Under applicable law, all Offers submitted and opened are public records and must be retained by the School District/public entity. Offers shall be open to public inspection after Contract award, except for such Offers deemed to be confidential by the School District/public entity. If an Offeror believes that information in its Offer should remain confidential, it shall stamp as confidential that information and submit a statement with its Offer detailing the reasons that information should not be disclosed. The School District/public entity shall make a determination on whether the stamped information is confidential pursuant to the School District/public entity's Procurement Code.
- D. Non-collusion, Employment, and Services. By signing the Offer and Acceptance form or other official contract form, the offeror certifies that:
1. It did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its offer; and
  2. It does not discriminate against any employee, applicant for employment, or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable federal, state, and local laws and executive orders regarding employment.

**5. Evaluation**

- A. Unit Price Prevails. Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- B. Taxes. All applicable taxes in the Offer will be considered by the School District/public entity when determining the lowest bid or evaluating proposals; except when a responsive Offeror which is otherwise reasonably susceptible for award is located outside of Arizona and is not subject to a transaction privilege or use tax of a political subdivision of this state. In that event, all applicable taxes which are the obligation of Offerors in state and out of state, Offerors shall be disregarded in the Contract Award. At all times, payment of taxes and the determination of applicable taxes and rates are the sole responsibility of the Contractor.
- C. Late Offers. An offer submitted after the exact Offer due date and exact time shall be rejected.
- D. Disqualification. The Offer of an Offeror who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may be rejected.
- E. Offer Acceptance Period. An Offeror submitting an Offer under this Solicitation shall hold its Offer open for the number of days from the Offer due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for the Offer acceptance, the number of days shall be ninety (90). If a Best and Final Offer is requested pursuant to a Request for Proposals, an Offeror shall hold its Offer open for ninety (90) days from the Best and Final due date.
- F. Payment. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment within thirty (30) days.

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- G. Waiver and Rejection Rights. Notwithstanding any other provision of the solicitation, the School District/public entity reserves the right to:
1. Waive any minor informality;
  2. Reject any and all offers or portions thereof; or
  3. Cancel a solicitation.

**6. Award**

- A. Number or Types of Awards. Where applicable, the School District/public entity reserves the right to make multiple awards or to award a Contract by individual line items, by a group of line items, or to make an aggregate award, whichever is deemed most advantageous to the School District/public entity. If the Procurement Officer determines that an aggregate award to one Offeror is not in the School District/public entity's interest, "all or none" Offers shall be rejected.
- B. Contract Inception. An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement Officer's signature of the Offer and Acceptance Form. A letter or other notice of award or of the intent to award shall not constitute acceptance of the Offer.
- C. Effective Date. The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance Form or other official contract form, unless another date is specifically stated in the Contract.

**7. Protests**

A protest shall comply with and be resolved according to Arizona Department of Education School District Procurement Code Rule A.A.C. R7-2-1141 through R7-2-1153. Protests shall be in writing and be filed with the District Representative, Bill Munch, Director of Purchasing. A protest of a Solicitation shall be received by the District Representative before the Offer due date. A protest of a proposed award or of an award shall be filed with the Procurement Officer within ten (10) days after the protester knows or should have known the basis of the protest. A protest shall include:

- A. The name, addresses, and telephone number of the protester;
- B. The signature of the protester or its representative;
- C. Identification of the purchasing agency and the Solicitation or Contract number;
- D. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- E. The form of relief requested.



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**UNIFORM GENERAL TERMS AND CONDITIONS**

**1. Definition of Terms**

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- A. ***“Attachment”*** means any item the Solicitation requires an Offeror to submit as part of the Offer.
- B. ***“Contract”*** means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement of Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments (Addenda) or Contract Amendments; and any terms applied by law.
- C. ***“Contract Amendment”*** means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- D. ***“Contractor”*** means any person who has a Contract with the School District/public entity.
- E. ***“Days”*** means calendar days unless otherwise specified.
- F. ***“Exhibit”*** means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- G. ***“Gratuity”*** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value present or promised, unless consideration of substantially equal or greater value is received.
- H. ***“Offer”*** means bid, proposal or quotation.
- I. ***“Offeror”*** means a vendor who responds to a Solicitation.
- J. ***“Procurement Officer”*** means the person duly authorized to enter into and administer Contracts and make written determinations with respect to the Contract or their designee.
- K. ***“Solicitation”*** means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).
- L. ***“Solicitation Amendment (or Addendum)”*** means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- M. ***“Subcontract”*** means any Contract, express or implied, between the Contractor and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishings of any material or any service required for the performance of the Contract.
- N. ***“School District/Public Entity”*** means the School District or public entity that executes the Contract.

**2. Contract Interpretation**

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- A. Arizona Law. The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona School District Procurement Code, Arizona Revised Statutes (A.R.S.) 15-213, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 7, Chapter 2, Articles 10 and 11.
- B. Implied Contract Terms. Each Provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- C. Contract Order of Preference. In the event of a conflict in the provisions of the Contract, the following shall prevail in the order set forth below:
  - 1. Special Terms and Conditions;
  - 2. Uniform General Terms and Conditions;
  - 3. Statement or Scope of Work;
  - 4. Specifications;
  - 5. Attachments;
  - 6. Exhibits;
  - 7. Documents Referenced in the Solicitation;
- D. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee agent of the other party to the Contract.
- E. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- F. No Parol Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- G. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

**3. Contract Administration and Operation**

- A. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall Contractually require each Subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- B. Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4, 2000-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

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- C. Audit. At any time during the term of this Contract and five (5) years thereafter, the Contractor's or any Subcontractor's books and records shall be subject to audit by the School District/public entity and, where applicable, the Federal Government, the extent that the books and records relate to the performance of the Contract or Subcontract.
  
- D. Inspection and Testing. The Contractor agrees to permit access to its facilities, Subcontractor facilities and the Contractor's processes for producing the materials, at reasonable time for inspection of the materials and services covered under this Contract. The School District/public entity shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the School District/public entity determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the School District/public entity for testing and inspection.
  
- E. Notices. Notices to the Contractor required by this Contract shall be made by the School District/public entity to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the School District/public entity required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notices shall be given by written notice and an Amendment to the Contract shall not be necessary.
  
- F. Advertising and Promotion of Contract. The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
  
- G. Property of the School District/Public Entity. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the School District/public entity. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the School District/public entity.

4. **Costs and Payments**

- A. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the School District/public entity within thirty (30) days. The Purchase Order number must be referenced on the invoice.
  
- B. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. destination and shall include delivery and unloading at the destinations.

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C. Applicable Taxes.

1. Payment of Taxes by the School District/Public Entity. The School District/public entity will pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract/Purchase Order.
2. State and Local Transaction Privilege Taxes. The School District/public entity is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
3. Tax Indemnification. Contractor and all Subcontractors shall pay all federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all Subcontractors to hold the School District/public entity harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
4. IRS W-9. In order to receive payment under any resulting Contract, Contractor shall have a current I.R.S. W-9 Form on file with the School District/public entity.

D. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the School District/public entity for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of the Contract. The School District/public entity will make reasonable efforts to secure such funds.

5. **Contract Changes**

- A. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract signed by the Procurement Officer. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized employee or made unilaterally by the Contractor are violations of the Contract and or applicable law. Such changes, including unauthorized written Contract Amendments, shall be void and without effect, and the Contractor shall not be entitled to any claim and this Contract based on those changes.
- B. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- C. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The Procurement Officer shall not unreasonably withhold approval.

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**6. Risk and Liability**

- A. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- B. General Indemnification. To the extent permitted by A.R.S. § 41-621 and § 35-154, the School District/public entity shall be indemnified and held harmless by the Contractor for its vicarious liability as result of entering into this Contract. Each party to this Contract is responsible for its own negligence.
- C. Indemnification - Patent and Copyright. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Contractor shall indemnify and hold harmless the School District/public entity against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of Contract performance or use by the School District/public entity of materials furnished or work performed under this Contract. The School District/public entity shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.
- D. Force Majeure.
1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injections-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
  2. Force Majeure shall not include the following occurrences:
    - a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market; or
    - b. Late performance by a Subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition. ; or
    - c. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.
  3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt requested, and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

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4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

E. Third Party Antitrust Violations. The Contractor assigns to the School District/public entity any claim for overcharges resulting from antitrust violation the extent that those violations concern materials of services supplied by third parties to the Contractor toward fulfillment of this Contract.

**7. Warranties**

A. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens.

B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that for one year after acceptance by the School District/public entity of the materials or services, they shall be:

1. Of a quality to pass without objection in the trade under the Contract description;

2. Fit for the intended purposes for which the materials or services are used;

3. Within the variations permitted by the Contract and are of even kind, quality, and quantity within each unit and among all units;

4. Adequately contained, packaged and marked as the Contract may require; and

5. Conform to the written promises or affirmations of fact made by the Contractor.

C. Fitness. The Contractor warrants that any material or service supplied to the School District/public entity shall fully conform to all requirements of the Solicitation and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection testing of or payment for the materials or services by the School District/public entity.

E. Year 2000.

1. Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related Year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.

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2. Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the School District/public entity in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other School District/public entity information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the School District/public entity for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In Addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.

F. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties or merchant ability fitness.

G. Compliance with Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the Contract shall maintain all applicable licenses and permits.

H. Survival of Rights and Obligations after Contract Expiration or Termination.

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration of termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the School District/public entity is not subject to or barred by any limitations of actions prescribed in A.R.S. Title 12, Chapter 5.

2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Offices, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

**8. School District/Public Entity's Contractual Remedies**

A. Right to Assurance. If the School District/public entity in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing the Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent or ability to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the School District/public entity's option, be the basis for terminating the Contract under the Uniform General Terms and Conditions.

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B. Stop Work Order.

1. The School District/public entity may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of up to ninety (90) days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

C. Non-exclusive Remedies. The rights and the remedies of the School District/public entity under this Contract are not exclusive.

D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of Contract. On delivery of nonconforming materials, the School District/public entity may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

E. Right to Offset. The School District/public entity shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the School District/public entity or damages assessed by the School District/public entity concerning the Contractor's nonconforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform General Terms and Conditions.

9. **Contract Termination**

A. Cancellation for Conflict of Interest. Per A.R.S. 38-511 the School District/public entity may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the School District/public entity is, or becomes at any time while the Contract or an extension the Contract is in effect, an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

B. Gratuities. The School District/public entity may, by written notice, terminate this Contract, in whole or in part, if the School District/public entity determines that employment or gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the School District/public entity for the purpose of influencing the outcome of the procurement or securing the Contract, an Amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about Contract performance. The School District/public entity, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the gratuity offered by the Contractor.



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- C. Suspension or Debarment. The School District/public entity may, by written notice to the Contractor, immediately terminate this Contract if the school District/public entity determines that the Contractor has been disbarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor of any public procurement unit or other governmental body.
- D. Termination for Convenience. The School District/public entity reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the School District/public entity without penalty recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all Subcontractors of the effective date of the termination and minimize all further costs to the School District/public entity. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the School District/public entity. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R7-2-1125 shall apply.
- E. Termination for Default.
1. In addition to the rights reserved in the Uniform Terms and Conditions, the School District/public entity reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.
  2. Upon termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the School District/public entity.
  3. The School District/public entity may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials and services to replace those under this Contract. The Contractor shall be liable to the School District/public entity for any excess costs incurred by the School District/public entity reprocurring the materials or services.
- F. Continuation of Performance through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. **Contract Claims**

All Contract claims and controversies under this Contract shall be resolved according to A.R.S. Title 15-213 and rules adopted thereunder.

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**11. Key Employees**

The successful bidder agrees that TUSD#1 employees are critical to the successful implementation of any solution provided to the District. The vendor, therefore, agrees to refrain from employing TUSD#1 personnel for a period during, and for six months immediately following, the accepted installation of the vendors' product in TUSD#1. Should the vendor violate this agreement, the vendor will immediately pay to TUSD#1 an amount equal to the employee's annual salary.

**12. Offshore Performance**

Due to security and identity protection concerns, direct services under any subsequent contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the school district(s) or charter school(s) or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

**13. Contractor's Employment Eligibility**

By entering the contract, contractor warrants compliance with A.R.S. 41-4401, A.R.S. 23-214, the Federal Immigration and Nationality Act (FINA), and all other federal immigration laws and regulations.

The District may request verification of compliance from any contractor or subcontractor performing work under this contract. The District reserves the right to confirm compliance in accordance with applicable laws.

Should the District suspect or find that the contractor or any of its subcontractors are not in compliance, the District may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the contract for default, and suspension and/or debarment of the contractor. All costs necessary to verify compliance are the responsibility of the contractor.

**14. Terrorism Country Divestments**

Per A.R.S. 35-392, the District is prohibited from purchasing from a company that is in violation of the Export Administration Act.

**15. Scrutinized Business Operations**

Per A.R.S. 35-391, the District is prohibited from purchasing from a company with scrutinized business operations in Sudan.

Per A.R.S. 35-393, the District is prohibited from purchasing from a company with scrutinized business operations in Iran.

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**16. Fingerprint Checks**

If required to provide services on school district property at least five (5) times during a month, contractor shall submit a full set of fingerprints to the school district in accordance with A.R.S. 15-512 of each person or employee who may provide such service. Alternately, the school district may fingerprint those persons or employees. An exception to this requirement may be made as authorized in Governing Board policy.

The district shall conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the district. Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

Additionally, contractor shall comply with Governing Board Policies of Mesa Public Schools.

**17. Registered Sex Offender Notification Restriction**

Contractor represents and warrants that no employee of the Contractor, or of its subcontractor, who has been adjudicated to be a registered sex offender will perform work on District's premises at any time without written approval of the District Representative.

Any breach of Contractor's or any subcontractor's warranty shall be deemed to be a material breach of this Contract, subjecting Contractor to penalties up to and including suspension or termination of this Contract.

If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of the District's rights and the subcontractor's obligations hereunder. Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor.

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**SPECIAL TERMS AND CONDITIONS**

**1. Insurance and Safety**

**Insurance**

Offeror agrees to maintain such insurance as will fully protect Offeror and the District from any and all claims under any workers' compensation statute or unemployment compensation laws, and from any and all other claims of any kind or nature for damage to property or personal injury, including death, made by anyone, that may arise from work or other activities carried on, under, or facilitated by this Agreement, either by Offeror, its employees, or by anyone directly or indirectly engaged or employed by Offeror. Offeror agrees to maintain such automobile liability insurance as will fully protect Offeror and the District for bodily injury and property damage claims arising out of the ownership, maintenance or use of owned, hired or non-owned vehicles used by Offeror or its employees, while providing services to the District.

Successful Offeror will be required to provide proof of and maintain comprehensive general liability insurance with a \$1,000,000 aggregate coverage and naming Tombstone Unified School District #1 as an additional insured party.

Successful Offeror will be required to submit proof of and maintain Worker's Compensation and Employer's Liability Insurance as required by law.

**B. Safety**

Offeror, at its own expense and at all times, shall take all reasonable precautions to protect persons and the District property from damage, loss or injury resulting from the activities of Offeror, its employees, its subcontractors, and/or other persons present. Offeror will comply with all specific job safety requirements promulgated by any governmental authority, including without limitation, the requirements of the Occupational Safety Health Act of 1970.

**2. Terms of Award**

It is the intent of the District to award a multi-term contract, beginning July 1, 2012, and continuing until June 30, 2013. If all conditions are met during this period of time, this contract can be extended, if funding is available, for up to an additional four (4) **one-year contracts**. However, no contract exists unless and until a purchase order is issued each fiscal year.

**3. Multiple Awards**

A contract under this proposal will be awarded to a single vendor.

**4. Award Basis**

The successful offeror will be determined by Evaluation Criteria including but not limited to pricing, or other incentives offered. The **Tombstone Unified School District #1** reserves the right to award as many term contracts for the services as may be in the best interest of the District. Awards will not be made based on price alone.

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The District reserves the right to arrange for discussions to assist in the evaluation of proposals in accordance with A.A.C. R7-2-1047.

Any deviation from the general terms and conditions or exceptions taken shall be described fully and appended to the bid form on the offeror's letterhead over the signature of the person signing the bid form. Such appendages shall be considered part of the offeror's formal bid. For the absence of any statements of deviation or exception, the bid shall be accepted as in strict compliance with all terms and conditions.

If a contractor receives a bid award, an order is placed and contractor is unable to meet the delivery requirements, meet service requirements, or material that meets the District's needs as outlined in this Invitation for Bid, or is unable to hold bid price, or fails to provide product or service within a reasonable period of time, AND/OR fails to provide product complying with bid specifications, as determined by the District, the District reserves the right to go to the next lowest bid price of equal quality which meets bid specifications. If the bid item delivered does not meet specifications or is received in an unsatisfactory condition and is in a damaged or unusable condition, or if service is unsatisfactory, contractor must pick up item immediately and replace to each district's satisfaction at no additional charge, or issue full credit, for service a return visit must be re-scheduled within 24 hours. Rejected items must be removed from the District's premises by the vendor upon verbal notification.

*Note: However, if a vendor receives a contract award and is unable to meet the service requirements as outlined in this Solicitation (and subsequent contract), or is unable to hold the contract price, or fails to provide acceptable service as determined by the District, the District reserves the right to go to the next lowest ranked vendor if this determination occurs within a reasonable time period after contract award.*

**5. Billing**

All billing notices must be sent to district's accounts payable as shown on the purchase orders. All invoices shall identify the specific item(s) being billed. Any purchase order issued by Tombstone Unified School District No. 1 will refer to the bid number of this solicitation.

**6. Price Clause**

Prices shall be firm for the term of the contract. Prices as stated must be complete for the services offered and shall include all associated costs. DO NOT include sales tax on any item in the bid.

After initial contract term and prior to any contract renewal, the Tombstone Unified School District No. 1 will review fully documented requests for price increases and may at its sole option accept any changes or cancel from the contract those items concerned. The vendor shall likewise offer any published price reduction, during the contract period, to the District concurrent with its announcement to other customers. All price adjustments will be effective upon acceptance of the Tombstone Unified School District No 1.

**7. Finger Printing Requirements**

The District anticipates that services under this contract will cause the contractor and proposed subcontractors to have direct, unsupervised contact with pupils. Therefore, the Contractor and any proposed subcontractors warrant compliance with ARS subsection 41-4401, ARS subsection 23-214, the Federal Immigration and Nationality ACT (FINA) and all other federal, state and local immigration laws and regulations related to the immigration status of its employees. These warranties shall remain in effect through the term of the contract.

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The District may, at its sole discretion, require evidence of compliance during the evaluation process or contract term. Should the District request evidence of compliance, the Contractor and any proposed subcontractors shall have 5 working days from receipt of the request to supply adequate information or submit to fingerprint procedures defined by the District. Failure to supply the requested information or if the District suspects or finds the Contractor or any of its subcontractors are not in compliance, the District may pursue any and all remedies allowed by law, including, but not limited to: non consideration of contract award, suspension of work, termination of the contract for default, and suspension and/or debarment of the Contractor. All costs associated with verification and any remedies are the sole responsibility of the Contractor and any proposed subcontractor.

**8. Award**

It is expected that the award for this contract will be made in 30 days. However, no commitment is made to this award date.

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**SCOPE OF WORK**

**I. PURPOSE**

The purpose of this Request for Proposals (RFP) is to enter into a contract with a qualified Certified Public Accountant or Public Accountant to conduct an annual audit of comprehensive financial transactions and accounts kept by or for the District for submission to AASBO, subject to the Single Audit Act Amendments of 1996 (P.L. 104-156) for the year(s) ending **June 30, 2012, 2013, 2014, 2015, 2016**, and to complete the Uniform System of Financial Records (USFR) Compliance Questionnaire. The District reserves the right to suspend the provisions of the contract for any year in which the District expends less than the qualifying amount of federal awards set forth in the Office of Management and Budget (OMB) Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**II. GENERAL INFORMATION**

**A. Mandatory Qualifications**

The following qualifications are mandatory for audit firms submitting proposals:

1. The auditors must be properly licensed certified public accountants, public accountants, or persons working for a licensed certified public accounting firm or public accounting firm. According to Government Auditing Standards (GAS), 2003 Revision, as amended, issued by the Comptroller General of the United States, public accountants and public accounting firms must be licensed on or before December 31, 1970.
2. The audit firm must meet the independence requirements of GAS.
3. The audit firm must not have a record of substandard audit work for the last 5 year(s). The District reserves the right to contact the Arizona State Board of Accountancy to verify the audit firm's credentials and the State of Arizona, Office of the Auditor General, to verify that the audit firm has not been debarred or suspended or that such audit firm's contracts are not routinely rejected for substandard audits.
4. The audit firm must have an external quality control review performed at least every 3 years in accordance with GAS. The most recent external quality control review report must be included with the proposal.
5. The audit firm must meet the continuing education requirements of GAS. Therefore, each auditor responsible for planning, directing, conducting, or reporting on GAS audits should complete at least 80 hours of continuing education every 2 years. At least 20 hours should be completed in any 1 year of the 2-year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the District operates.

6. **Mandatory Insurance Requirements**

Vendors must submit in their proposals proof of current insurance for:

1. Public liability and property damage in an amount not less than \$1,000,000 per occurrence;
2. Professional liability insurance in an amount not less than \$1,000,000 per occurrence;
3. Worker's Compensation Insurance in the amount of \$1,000,000 per occurrence



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7. Mandatory Customer References Requirements – The vendor must furnish a minimum of three (3) customer references, Arizona school districts are preferred. List names of District personnel who we may contact to verify satisfactory performance of auditing services agreements. Please ask these individuals to be available during the week the proposals will be evaluated. This information must include:

1. Customer name,
2. Individual contact person's and title,
3. Address, telephone number, e-mail address
4. Description of work performed.

**B. Procedures and Time Frame for Submitting Proposals/Awarding Contract**

Interested, qualified audit firms may submit a proposal to TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1 at the following address:

**PO Box 1000**  
**411 North 9th Street**  
**Tombstone, Arizona 85638**

**Three (3) copies of the proposal** are required. They should be prepared in accordance with the proposal format requirements discussed in this RFP, and packaged in such a manner that the outer wrapping clearly indicates the RFP number.

1. Discussions with individual audit firms may be held to clarify proposals. Audit firms invited for discussions will be asked to submit a Best and Final Offer. The best and final offer provides the opportunity for audit firms to revise their proposals, including the fee for the services, based on additional information gathered during the oral discussions. If a best and final offer is not submitted, the previous offer will be construed as the best and final offer.
2. Contract award is expected to be made on or before Tuesday, April 13, 2010. The contract will be awarded on the basis of demonstrated competence and qualifications to perform the required services at fair and reasonable compensation. However, after the audit firm is selected, the Auditor General will review the proposed contract and approve or disapprove it in accordance with Arizona Revised Statutes (A.R.S.) §§15-914(E) and 41-1279.21(A)(4), and *Arizona Administrative Code* R4-44-117. Only upon approval of the proposed contract by the Auditor General will the contract be signed by the school district administrator and the selected audit firm.

The District will send a letter to inform each audit firm submitting a proposal whether the proposal was accepted or rejected.

3. Audit work may begin as soon as the Auditor General approves the proposed contract. Audit work must be completed by November 15th each year.
4. A preliminary draft of the reports should be completed and an exit conference held no later than December 1st.
5. The final reports should be submitted to the District no later than December 15th.

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**C. Review of Proposals and Evaluation Criteria**

The District and any outside experts the District considers necessary will evaluate the proposals. A point formula will be used during the review process to score proposals. If several proposals are very closely ranked, the District may arrange for oral discussions with the audit firms to assist in making the selection.

Proposals will be evaluated using three sets of criteria. Audit firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical and cost criteria. The following represents the principal selection criteria that will be considered during the evaluation process:

1.	Mandatory Criteria	
a.	The audit firm is independent and properly licensed.	
b.	The audit firm’s professional staff has received the required continuing professional education within the preceding 2 years.	
c.	The audit firm submits its most recent external quality control review report and has a record of quality audit work.	
2.	Technical Criteria	<u>Points Possible</u>
a.	<b>Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed, including:</b>	
1.	Comprehensiveness of audit work plan;	10
2.	Realistic time estimates of each major segment of the work plan and the estimated number of hours of each staff level.	10
b.	<b>Technical experience of the audit firm, including:</b>	
1.	Auditing Arizona school districts;	10
2.	Auditing governments;	5
3.	Auditing computerized systems;	10
4.	Auditing federal programs;	5
5.	Preparing school district (CAFR) comprehensive annual financial reports in a format which conforms to all standards necessary in order to be acceptable for presentation to the Association of School Business Officials International for consideration of award of the ASBO Certificate of Excellence, and for presentation to the Governmental Financial Officers Association for consideration of award of the GFOA Certificate of Achievement for Excellence in Financial Reporting.	10
c.	<b>Qualifications of staff</b>	
1.	Qualifications of supervisory staff and of the audit team performing field work	15
2.	General direction and supervision to be exercised over the audit team by the audit firm’s management	10
d.	<b>Size and structure of the audit firm, considering the scope of the audit.</b>	<u>5</u>
<b>Subtotal/Technical Criteria – maximum points possible</b>		<b>90</b>
3.	Pricing/Cost Criteria (The maximum score for price will be assigned to the audit firm offering the lowest price, and proportional scores will be assigned to the other audit firms)	
	<u>10</u>	
<b>Grand Total - maximum points possible</b>		<b><u>100</u></b>

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Pricing/Cost is a factor in awarding the contract; however, only those proposals that meet all the mandatory criteria in the RFP will be given consideration. **The contract will not be awarded solely on the basis of cost.**

After a composite technical score for each audit firm has been established, the sealed proposal will be opened and additional points will be added to the technical score based on the proposed price. The maximum score for price will be assigned to the audit firm offering the lowest price, and proportional scores will be assigned to the other audit firms.

Cost and price information provided in the proposal will be held confidential and will not be disclosed to competing audit firms prior to selection of the audit firm. Information on total bid price may be disclosed after the audit firm has been selected.

### **III. PROPOSAL FORMAT**

The proposal must conform to the format specified below. The District will make no reimbursement for the cost of developing or presenting proposals in response to the RFP.

#### **A. Title Page**

Each proposal must contain a title page that identifies the RFP number and subject and provides the audit firm's name, address, and telephone number; the name and title of a contact person; and the date the proposal was submitted. The title page must also state the period the proposal is effective (nonrescindable).

#### **B. Table of Contents**

The proposal's table of contents should include a clear and complete identification of the materials submitted by section and page number.

#### **C. Letter of Transmittal**

A brief letter of transmittal should be submitted that includes the following information:

1. The audit firm's understanding of the work to be performed.
2. A positive commitment to perform the service within the time period specified.
3. The names of persons authorized to represent the audit firm, their titles, addresses, and telephone numbers.
4. Reference to a sealed envelope that contains the all-inclusive fee for which the audit work will be done. The fee amount should not be divulged elsewhere in the proposal.
5. The audit firm shall specify applicable hourly rates for additional work authorized by the District for the contract period.

#### **D. Audit Firm Profile and Qualifications**

The following information should be included:

1. A description of the audit firm, including office size; whether the organization is local, regional, national, or international in operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e., auditing, accounting, tax, or management services).

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2. Affirmation that the audit firm meets the mandatory qualifications set forth in section II.A. above.
3. A statement of the audit firm's expertise in: 1) financial audits of Arizona school districts, 2) financial audits of governments, and 3) audits of computerized systems, and 4) audits of federal programs.
4. A description of prior experience with audit services of a similar or related nature, including references. The description should include a list of names and dates of school districts audited.
5. Identification of senior and technical staff to be assigned to the audit, including the audit manager or partner. Staff named in the proposal may not be substituted without permission of the District. Resumes, including relevant experience and continuing education of the auditor in charge up to the individual with final responsibility for the audit, may be included as an appendix.

**E. Audit Firm's Approach to the Audit**

The technical portion of the proposal shall include, as a minimum:

1. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP.

The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular No. A-133 and the audit tests and procedures to be applied in completing the audit work plan.

The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in this RFP.

2. A plan for organizing and staffing the audit, with an estimate of time each staff member will devote to the audit.

**F. Cost Proposal**

The cost portion of the proposal should be submitted along with the proposal, **but in a separate sealed envelope.**

**IV. DESCRIPTION OF DISTRICT AND RECORDS TO BE AUDITED**

**A. General**

Tombstone Unified School District No. 1 is a political subdivision of the State of Arizona located in Cochise County. The District consists of approximately 900 students. The District operates on a July 1 to June 30 fiscal year.

The accounting policies of Tombstone Unified School District No. 1 conform to generally accepted accounting principles (GAAP) as adopted by the Government Accounting Standards Board (GASB) or Financial Accounting Standards Board (FASB), as applicable. During the year ended June 30, 2004, the District implemented GASB Statement No.34, *Basic Financial Statements – and Management's Decision and Analysis – for State and Local Governments*, as amended by GASB Statement No.37, which prescribes a new reporting model consisting of both government-wide and fund financial statements. The District also implemented GASB Statement No. 38, which prescribes new and revised note disclosures. The District also implemented GASB Statement 44, with the Comprehensive Annual Financial Report ending in June 30, 2006.

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**B. Reporting Entity**

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the activities of those organizational entities for which its elected governing board is financially accountable.

**C. District Funds**

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the District as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

The District reports the following governmental and enterprise funds and other fund types:

<b>Governmental</b>	<b>Number of Funds</b>
General Fund	1
Major Fund(s)	11
Non-Major Fund(s)	57
<b>Other Fund Types</b>	<b>Number of Funds</b>
Internal Service	0
Agency	1

**D. Federal and State Financial Assistance**

Attachment A

**E. Basis of Accounting**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All internal service funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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**F. Budgeting and Budgetary Control**

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures. The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted, the budget can be increased or decreased only for specific reasons set forth in A.R.S.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within (7) subsections, any of which may be over expended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund's total budget.

Encumbrance accounting, under which purchase orders, contracts, and other commitments to expend monies are recorded to reserve that portion of the applicable fund balance, is employed as an extension of formal budgetary control in the General, Unrestricted Capital Outlay, Soft Capital Allocation, and Adjacent Ways Funds. Encumbrances outstanding at year-end for goods or services that were not received before fiscal year-end are canceled. However, at year-end the County School Superintendent must encumber in these funds the amounts necessary and available to pay liabilities outstanding for goods or services received but unpaid at June 30. Warrants may be drawn against the encumbered amounts for 60 days immediately following the close of the fiscal year. After 60 days, the remaining encumbered balances lapse and any cash balances remaining in these funds are used to reduce District taxes for the next budget year.

**G. Deposit of District Monies**

In accordance with A.R.S. §15-341(A)(20), the District deposits with the County Treasurer all monies received, except student activities monies (A.R.S. §15-1122); auxiliary operations monies (A.R.S. §15-1126); monies withheld or received from employees, former employees, board members, and other persons for insurance programs (A.R.S. §15-1223); and grants and gifts to teachers (A.R.S. §15-1224). The County School Superintendent (or school districts that have assumed accounting responsibility in accordance with A.R.S. §15-914.01) draws warrants on funds on deposit with the County Treasurer upon presentation of a voucher by the District Governing Board to expend District monies on deposit with the County Treasurer.

In addition to maintaining funds on deposit with the County Treasurer, the District maintains several bank accounts in accordance with A.R.S. Following is a list of all bank accounts maintained by the District:

<b><u>Bank Account Name</u></b>	<b><u>Bank Name and Location</u></b>
WJM Student Activity	Tombstone Federal Credit Union
HCS Student Activity	
TUSD Withholding	
Scholarship Account	
District Revolving Fund	Bank of America
THS District Student Activity	
Cafeteria	

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**H. Magnitude of Financial Activity**

The District's total expenditures budgeted for the years ended June 30, 2010, and June 30, 2011, were \$5,860,108 and \$5,988,485, respectively. The following are selected elements of revenues and expenditures for those fiscal years:

<u>Estimated Revenues</u>	<u>Year Ended June 30, 2010</u>	<u>Year Ended June 30, 20110</u>
Intergovernmental	\$5,733,062	\$5,228,503
Property Taxes	\$1,748,037	\$1,668,295
Tuition	\$298,729	\$427,592
Other sources	\$666,651	\$442,108
<u>Budgeted Expenditures</u>	<u>Year Ended June 30, 2010</u>	<u>Year Ended June 30, 2011</u>
General Fund	\$4,929,317	\$5,123,680
Special Projects	\$1,499,684	\$1,619,264
Other Special Projects	\$160,000	\$115,000
Debt Service Fund	\$0	\$0
Soft Capital Fund	\$283,321	\$318,220
Adjacent Ways Fund	\$350,000	\$500,000
New School Facilities Fund	\$0	\$0
Nonmajor Governmental Funds	\$759,370.00	\$1,230,568.00

The District has approximately 130 employees with estimated payroll expenditures of \$4,023,790.48 and \$3,931,173.32 for the years ended June 30, 2010, and June 30, 2011, respectively.

**I. Uniform System of Financial Records (USFR)**

A.R.S. §15-271 requires the Auditor General in conjunction with the Arizona Department of Education (ADE) to prescribe a uniform system of financial records for use by school districts. This system has been established in the *Uniform System of Financial Records* accounting manual.

The USFR includes a Chart of Accounts that provides for the establishment of a complete accounting system including the recording of assets, liabilities, fund equity, revenues, and expenditures. The Chart ensures compliance with U.S. GAAP, and meets the requirements of the U.S. Department of Education's account classifications and A.R.S. The account codes and titles listed in the chart must be used by the District.

The USFR also provides comprehensive accounting procedures for accounting records, cash, supplies inventory, capital assets, revenues, expenditures, payroll, travel, and state and federal financial assistance.

**J. Additional Information**

Correspondence to district must be in writing and follow-up via phone to ensure delivery of information.

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**K. Prior-Year Information**

Annual budgets, annual financial reports, and financial statements for the year(s) ended June 30, 2011, 2010, 2009 will be sent to interested, qualified audit firms upon request, or may be examined at the District office.

**V. NATURE OF SERVICES REQUIRED**

The selected audit firm will be required to perform an annual financial audit for the year(s) ended/ing **June 30, 2012, 2013, 2014, 2015, 2016**, in accordance with **generally accepted auditing standards, GAS, the Single Audit Act Amendments of 1996, OMB Circular No. A-133, GASB Statement No. 34 and GASB Statement No. 44**. In addition, the audit firm must complete a USFR Compliance Questionnaire, which will be used to help determine the District's compliance with the USFR. **Additionally, the selected audit firm must provide services which are in compliance with future GASB requirements during the (5) years.** These requirements are summarized below:

**A. Procedures to Be Performed**

1. Audit the financial statements in accordance with generally accepted auditing standards and GAS.
2. Obtain an understanding of the possible effects of laws and regulations on the financial statements.
3. Consider the factors influencing audit risk and obtain an understanding of the District's internal control structure.
4. Test the District's compliance with the requirements applicable to federal award programs.
5. Document results of tests in audit documentation in accordance with GAS paragraphs 4.22 through 4.26.
6. Obtain written representations from District management.
7. Ascertain whether the District established policies and performed procedures listed on the USFR Compliance Questionnaire. (See subsection C below for further instructions.)
8. Prepare documentation required for GASB 44 statement
9. Submit annual applications for achievement awards in financial reporting to Association of School Business Officials International (ASBOI) and Government Finance Officers Associations (GFOA).
10. Assist the District in routine advice (i.e. technical questions, training, best practice guides and tools, and implementation of audit recommendations) as requested.

**B. Reports to Be Issued**

To comply with OMB Circular No. A-133, an **audit reporting package** and **data collection form** must be issued. The reporting package must include the following:

1. **Comprehensive Annual Financial Statements**, (CAFR) including the audit firm's opinion thereon
2. Schedule of Expenditures of Federal Awards, including the audit firm's opinion thereon
3. Summary Schedule of Prior Audit Findings
4. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards



**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
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5. Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular No. A-133
6. Schedule of Findings and Questioned Costs
7. Corrective Action Plan
8. Documentation for CAFR Submittal to ASBO and GFOA.

**C. USFR Compliance Review Requirements**

Districts must comply with the USFR. To help determine whether districts are in compliance, the Auditor General has developed the USFR Compliance Questionnaire, which consists of a series of questions to be completed by the District's audit firm regarding requirements set forth in the USFR and A.R.S. Assertions on the USFR Compliance Questionnaire made by the audit firm must be adequately supported in the audit documentation (e.g., by inspection, inquiry, observation, or examination). The audit firm may acquire a copy of the USFR Compliance Questionnaire from the District.

The selected audit firm must complete and submit the USFR Compliance Questionnaire and management letter to the Auditor General. The Auditor General will then inform any district that fails to comply at a satisfactory level with the requirements of the USFR of the District's deficiencies, giving the District 90 days in which to correct the cited deficiencies.

The USFR Compliance Questionnaire should be presented separately from other reports.

**D. Other Services**

Any other services that the District may need from the selected auditor during the term of this contract will be billed at an hourly rate acceptable to the District. All proposals should include the hourly rate for any of these services.

**VI. REPORT REVIEW, TIMING, AND NUMBER OF COPIES**

Following completion of draft reports, the audit firm must submit **1** copy of the reports and the audited financial statements to the audit liaison, Lisa Reames, Business Manager, for review.

Upon completion of the final reports, the audit firm must provide **10 copies of the Comprehensive Annual Financial Report** and **10 copies of the Single Audit** Reporting Package to the District. The audit firm must also submit **one** copy of the audit reporting package, USFR Compliance Questionnaire, and management letter to the Office of the Auditor General either by: e-mail at: [asd@azauditor.gov](mailto:asd@azauditor.gov)

or by

US mail or hand delivery at:

State of Arizona  
Office of the Auditor General  
2910 North 44th Street, Suite 410  
Phoenix, AZ 85018

**One** copy of the reporting package, USFR Compliance Questionnaire, and management letter must be submitted to ADE's Audit Resolution Unit.

*Additionally, the audit firm must submit one copy of the audit reporting package and data collection form to the Federal Audit Clearinghouse using the Federal Audit Clearinghouse's Internet Data Entry System at the following Web address: <http://harvester.census.gov/fac/collect/ddeindex.html>*

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In addition to the copies provided above, the audit firm must also provide **one** copy of the audit reporting package to other pass-through entities when the schedule of findings and questioned costs discloses audit findings related to federal awards that the pass-through entities provided or the summary schedule of prior audit findings reports on the status of prior findings related to federal awards that the pass-through entities provided.

The audit firm will make no other distribution unless approved by the District.

A.R.S. §§15-914(E) and 41-1279.21(A)(4) require the Auditor General to ensure that completed audits are conducted in accordance with generally accepted auditing standards, *GAS*, *OMB Circular No. A-133*, and the minimum audit and reporting standards prescribed by the Auditor General. **An audit will not be accepted as meeting the requirements of this section until it has been approved by the Auditor General.**

**VII. EXIT CONFERENCE REQUIREMENTS**

The audit firm must be available to participate in one or more exit conferences with members of the District and the District Governing Board. Exit conferences must be coordinated through the audit liaison, Lisa Reames, Business Manager. The purposes of the exit conferences are to discuss the draft audit reports with the District, identify any errors, and obtain comments on report findings and recommendations.

**VIII. AUDIT DOCUMENTATION**

The audit firm shall retain the audit documentation in its entirety for a period of 3 years after the date of issuance of the audit reports (for fiscal years ending June 30, 2012, and thereafter, audit documentation shall be retained for a period of 5 years as required by Statement on Auditing Standards No. 103). The audit documentation shall be subject at all reasonable times to review upon request by the Auditor General or her designee, ADE, *the United States Government Accountability Office*, other appropriate governmental agencies, or produced at the Office of the Auditor General, if so requested.

**IX. CONTRACTUAL ARRANGEMENTS**

**A. Multi-Year Contracts**

If the monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be canceled and the audit firm reimbursed for the reasonable value of any nonrecurring cost incurred but not amortized in the price of services delivered under the contract or which are otherwise not recoverable.

The District reserves the right to suspend the provisions of the contract for any year in which the District expends less than the qualifying amount of federal awards set forth in *OMB Circular No. A-133*.

**B. Other Provisions**

Any additional auditing requirements mandated by the Auditor General for adequate control and compliance with the Uniform System of Financial Reporting or consulting requested by the District in matters relating to accountability will be completed by the audit firm at the hourly rate by the audit firm.

**X. RIGHT TO REJECT**

The District reserves the right to:

- A.** Reject any or all proposals submitted.
- B.** Request additional information from all audit firms.

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- C. Conduct discussions with responsible audit firms who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements.
- D. Negotiate modifications to the audit firm's proposal prior to final award for the purpose of obtaining best and final offers.
- E. Negotiate a contract that may be terminated for lack of funds.

**XI. ASSISTANCE AVAILABLE TO AUDIT FIRMS**

**A. Previous Audit Reports and Audit Documentation**

The most recent audit of the District was performed for the 2011 year(s) ended June 30, 2011, by Larson Allen. The audit firm's reports were issued November 16, 2006.

Audit documentation related to the aforementioned audit is available for inspection by contacting Sandy Cronstrom, Larson Allen LLP, 1201 South Alma School Road, Ste 14000, Mesa, AZ 85210-2096 (480) 615-2300 or by contracting the Business Manager, Lisa Reames (520) 457-2217 x3.

**B. District Assistance**

District officials and staff will be available to assist the audit firm by providing information, documentation, and explanations as required. Lisa Reames, Business Manager, will be the audit liaison between the District and the audit firm.

**C. Grantor Assistance**

Questions or requests for assistance concerning federal grants should be directed to ADE's Grants Management Unit or the applicable ADE federal program area.

Refer any questions regarding this Request for Proposals to: Lisa Reames, Business Manager  
at (520) 457-2217 x3; lreames@tombstone.k12.az.us



March 6, 2012

\_\_\_\_\_  
Lisa Reames, Business Manager

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
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Attachment A

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2011**

Grantor Agency	Federal CFDA Number	Pass-through Grantor's Number	Expenditures
<b>U.S. Department of Education</b>			
Federal Impact Aid	84.041	N/A	\$ 1,872
Education Stabilization Fund - ARRA	84.394	ISA GOER-FY2010-506-E	77,529
Passed through State of Arizona, Department of Education:			
Title I Cluster:			
Title I - LEA's	84.010	S010A000003	334,557
Title I - ARRA	84.389	S389A090003	26,006
Total Title I Cluster			<u>360,563</u>
Enhancing Education Through Technology Cluster:			
Title II - Enhancing Education Through Technology	84.318	S318X000003	1,102
Title II - Enhancing Education Through Technology - ARRA	84.386	S386A090003	1,694
EETT 21st Century Classroom - ARRA	84.386	S386A090003	274,760
Total Enhancing Education Through Technology Cluster			<u>277,556</u>
Title II - Improving Teacher Quality	84.367	S281A000003	54,567
McKinney-Vento Homeless Education - ARRA	84.387	S387A090003	103
Rural and Low-Income Schools	84.358	S358B020003	23,144
Special Education Cluster:			
Special Education - IDEA Basic	84.027	H027A000007	181,711
Special Education - IDEA ARRA	84.391	H391A090007	29,258
Preschool Grant	84.173	H173A000003	99
Total Special Education Cluster			<u>211,068</u>
Vocational Education	84.048	V048A000003	17,505
<b>Total U.S. Department of Education</b>			<u>1,023,907</u>
<b>U.S. Department of Agriculture - Food and Nutrition</b>			
National Forest Fees	10.665	N/A	27,092
Passed through State of Arizona, Department of Education:			
Nutrition Cluster:			
Commodities - Food Distribution	10.555	9F4072	22,334
School Breakfast Programs	10.553	9F4072	64,489
National School Lunch Programs	10.555	9F4072	232,978
Total Nutrition Cluster			<u>319,801</u>
<b>Total U.S. Department of Agriculture - Food and Nutrition</b>			<u>346,893</u>
<b>U.S. Department of Health and Human Services</b>			
Passed through the Arizona School Health Insurance Programs, Inc.:			
Health Care Financing Research, Demonstrations and Evaluations	93.779	N/A	33,509
<b>TOTAL FEDERAL AWARDS</b>			<u>\$ 1,404,309</u>

This schedule was prepared on the modified accrual basis of accounting.

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
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## **PROPOSAL REQUIREMENTS**

### **FORMAT**

The proposal must conform to the format specified below. The District will make no reimbursement for the cost of developing or presenting proposals in response to the RFP.

Three **(3)** copies of your proposal must be submitted **(One is to be marked Original and two are to be marked Copy)**. In order for your proposal to be considered, the following should be included and should be referenced with ***index tabs***:

**Each offer should be submitted in a white 3-ring binder with a clear sleeve on the cover.** It is highly desirable for firms to include, with their offers, a CD or thumb drive containing their offer, labeled with the vendor name and the proposal. (PDF or MS Word/Excel formats only)

#### **COVER - Title Page (inserted into the clear sleeve)**

Each proposal should contain a title page that identifies the RFP number and subject and provides the audit firm's name, address, and telephone number; the name and title of a contact person; and the date the proposal was submitted. **(Identify the offer as ORIGINAL or COPY)**

#### **1<sup>ST</sup> PAGE - Table of Contents**

The proposal's table of contents should include a clear and complete identification of the materials submitted by section/tab and page number.

#### **TAB 1 - Letter of Transmittal**

A brief letter of transmittal should be submitted that includes the following information:

1. The audit firm's understanding of the work to be performed.
2. A positive commitment to perform the service within the time period specified.
3. The names of persons authorized to represent the audit firm, their titles, addresses, and telephone numbers.

#### **TAB 2 - Audit Firm Profile and Qualifications, Experience and Expertise**

The following information should be included:

1. A description of the audit firm, including office size; whether the organization is local, regional, national, or international in operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e., auditing, accounting, tax, or management services).
2. Affirmation that the audit firm meets the mandatory qualifications set forth in section 2.A. above.
3. A statement of the audit firm's expertise in:
  - a) financial audits of Arizona school districts,
  - b) financial audits of governments,
  - c) audits of computerized systems,
  - d) audits of federal programs.
4. A description of prior experience with audit services of a similar or related nature, including references. The description should include a list of names and dates of school districts audited.

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

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5. Identification of senior and technical staff to be assigned to the audit, including the audit manager or partner. Staff named in the proposal may not be substituted without permission of the District. Resumes, including relevant experience and continuing education of the auditor in charge up to the individual with final responsibility for the audit, may be included as an appendix.

**TAB 3 - Audit Firm's Approach to the Audit**

The technical portion of the proposal shall include, as a minimum:

1. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP.

*The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular No. A-133 and the audit tests and procedures to be applied in completing the audit work plan.*

The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in this RFP.

2. A plan for organizing and staffing the audit, with an estimate of time each staff member will devote to the audit.

**TAB 4 - Cost Proposal**

The cost portion of the proposal should include the following three elements:

1. A total cost for each fiscal year to perform audit as described in this RFP.
2. A cost per hour for additional auditing services that may be requested throughout the year.
3. A listing of any items such as letters, phone calls or other types of services generating a cost to the District and not included in the costs listed in 1. & 2. above, plus a formula or explanation of how these additional costs will be determined and billed to the District.

**TAB 5 - Forms – completed and signed**

The forms portion of the proposal should include the following elements:

1. Offer and Acceptance Form (completed top portion and signed)
2. Non-collusion Affidavit (completed, signed and notarized)
3. I.R.S. W-9 Form, Request for Taxpayer I.D. Number (completed and signed)

**TAB 6 - Separate or Additional Contract**

The form of contract for any award made as a result of this Request for Proposals will be a district purchase order (issued annually), referencing this RFP, which shall be considered a part of the contract. The amount will be based upon the fees shown in the RFP, and will take into consideration previous and anticipated expenses for the forthcoming year. If your firm will require the District to sign an additional or separate contract, a copy of the proposed contract must be included with your offer. If no additional or separate contract is required by your firm, write "No Separate Contract Required"

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

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**OFFER AND ACCEPTANCE**

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the offer.

Arizona Transaction (Sales) Privilege Tax License No.: \_\_\_\_\_  
Federal Employer Identification No. \_\_\_\_\_  
Tax Rate: \_\_\_\_\_ %

For clarification of this offer, contact:  
Name: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
EMail: \_\_\_\_\_

\_\_\_\_\_  
Company Name  
\_\_\_\_\_  
Address  
\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Signature of Person Authorized to Sign Offer  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Title

**CERTIFICATION**

By signature in the Offer section above, the offeror certifies:

1. The submission of the offer did not involve collusion or other anti-competitive practices.
2. The offeror shall not discriminate against any employee or applicant for employment in violation of State Executive Order 99-4, 2000-4 or A.R.S. §§ 41-1461 through 1465.
3. The offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror warrants that it and all proposed subcontractors will maintain compliance with the Federal Immigration and Nationality Act (FINA), A.R.S. §§ 41-4401 and A.R.S., §§ 23-214 and all other Federal immigration laws and regulations related to the immigration status of its employees which requires compliance with federal immigration laws by employers, contractors and subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.
5. In accordance with A.R.S. §§ 35-392, the Offeror is in compliance and shall remain in compliance with the Export Administration Act.
6. In accordance with A.R.S. §§ 35-391, the Offeror does not have scrutinized business operations in Sudan.
7. In accordance with A.R.S. §§ 35-393, the Offeror does not have scrutinized business operations in Iran.
8. In accordance with A.R.S. §§15-512, the offeror shall comply with fingerprinting requirements unless otherwise exempted.

**ACCEPTANCE OF OFFER**

**The offer is hereby accepted.**

**The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the School District/public entity.**

**This contract shall henceforth be referred to as Contract No. 2012-3-A.**

**The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contract release document, or written notice to proceed.**

**Awarded this \_\_\_\_\_ day of \_\_\_\_\_, 2012**

\_\_\_\_\_  
**AUTHORIZED SIGNATURE**





**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

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**SEALED FEE PROPOSAL FORM**

**PROPOSAL NAME:** Request for Proposals (RFP) for Financial Audit Services for Fiscal Years, 2012, 2013, 2014, 2015, 2016

**PROPOSAL DUE DATE:** Monday, March 26, 2012 1:00 PM, MST

Please submit (2) copies of this form with your proposals. This Sealed Fee Proposal form must be in a **separate sealed envelope**. The envelope must be clearly marked **"SEALED FEE PROPOSAL"**.

In order to be deemed responsive, your proposal must contain an all-inclusive fee based on an hourly rate for each fiscal year to provide financial audit services

CONTRACT YEAR	SINGLE AUDIT	CAFR	TOTAL	HOURLY RATE
2011-12				
2012-13				
2013-14				
2014-15				
2015-16				

Please initial below if the hourly rate stated above will be the same for any additional auditing requirements as mentioned in IX B Contractual Arrangements, Other Provisions in Section IX B of the proposal.

YES \_\_\_\_\_

NO \_\_\_\_\_ (Attach a separate sheet, if necessary, listing the fiscal years' hourly rate.)

FIRM'S NAME: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_  
 TELEPHONE: \_\_\_\_\_  
 BY PRINT: \_\_\_\_\_  
 SIGNATURE \_\_\_\_\_  
 DATE: \_\_\_\_\_

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

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**STATEMENT OF NO BID**

*If you are not offering a proposal on this service / commodity, please complete and return only this form to Purchasing Department, Tombstone Unified School District #1, PO Box 1000, 411 N. 9th Street, Tombstone, AZ 85638. Mark the outside of the envelope with the bid reference number and name of proposal (printed on top of this page). **(Please type or legibly print all information except signature at bottom.)** By submitting this form for a "no submittal", you will remain on the bidder's list.*

Failure to respond may result in deletion of your firm's name from the qualified bidder's list for the Tombstone Unified School District #1.

COMPANY NAME: \_\_\_\_\_

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

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

CONTACT PERSON: \_\_\_\_\_ PHONE: \_\_\_\_\_

We, the undersigned, have declined to offer a proposal on your RFP 2012-3-A, Financial Audit Services for the following reasons:

Service / Commodity

- \_\_\_\_\_ We do not offer this service / commodity or the equivalent.
- \_\_\_\_\_ Insufficient time to respond to the Request for Proposal.
- \_\_\_\_\_ Remove our name from this bid list only.
- \_\_\_\_\_ Our company does not have the trained staff to permit us to perform.
- \_\_\_\_\_ Unable to meet insurance requirements.
- \_\_\_\_\_ Other. (Specify below)

REMARKS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

**TOMBSTONE UNIFIED SCHOOL DISTRICT NO. 1**  
**REQUEST FOR PROPOSALS NO. 2012-3-A**

Form <b>W-9</b> (Rev. December 2011) Department of the Treasury Internal Revenue Service	<b>Request for Taxpayer                  Identification Number and Certification</b>	Give Form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.) City, state, and ZIP code List account number(s) here (optional)	
Requestor's name and address (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

<b>Social security number</b>										
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> <td style="width:10%; height: 20px;"> </td> </tr> </table>										
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**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

**Certification Instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.