



North Front Range
**Metropolitan
Planning
Organization**

**NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL
(DBA as North Front Range Metropolitan Planning Organization or NFRMPO)**

REQUEST FOR QUALIFICATIONS

FOR

AUDIT SERVICES

RFQ A2019-01

Proposal Due Date: 3:00 p.m. MST September 24, 2019

NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL

REQUEST FOR QUALIFICATIONSS

RFQ A2019-01 Audit Services

TABLE OF CONTENTS

I. INTRODUCTION

- A. General Information
- B. Term of Engagement
- C. Subcontracting

II. NATURE OF SERVICES REQUIRED

- A. General
- B. Scope of Work
- C. Required Auditing Standards
- D. Required Reports
- E. Special Considerations
- F. Working Paper Retention and Access to Working Papers

III. DESCRIPTION OF THE MPO

- A. Contact Person
- B. Background Information
- C. Computer Systems
- D. Internal Audit Function
- E. Availability of Prior Audit Working Papers

IV. TIME REQUIREMENTS

- A. Proposal Calendar
- B. Notification and Contract Dates
- C. Date Audit May Commence
- D. Schedule for the 2016 Fiscal Year Audit
 - 1. Interim Work
 - 2. Detail Audit Plan
 - 3. Reports and Due Dates
- E. Entrance Conferences, Progress Reporting and Exit Conferences

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

- A. Administration Team Assistance
- B. Electronic Data Processing (EDP) Assistance

- C. Work Area, Telephone, Photocopying & FAX Machines
- D. Statements, Schedules, and Working Papers to be prepared by the Administration Team
- E. Profile of Administration Team
- F. Report Preparation

VI. PROPOSAL REQUIREMENTS

- A. General Requirements
 - 1. Inquiries
 - 2. Submission of Proposals
- B. Technical Proposal
 - 1. General Requirements
 - 2. Independence
 - 3. License to Practice in Colorado
 - 4. Firm Qualifications and Experience
 - 5. Partner, Supervisory and Staff Qualifications and Experience
 - 6. Similar Engagements with Other Entities
 - 7. Specific Audit Approach
 - 8. Identification of Anticipated Potential Audit Problems
- C. Dollar Cost Bid
 - 1. Total All-Inclusive Maximum Price
 - 2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each
 - 3. Rates for Other Professional Services
 - 4. Manner of Payment

VII. EVALUATION PROCEDURES

- A. Review of Proposals
- B. Evaluation Criteria
 - 1. Mandatory Elements
 - 2. Technical Quality
 - 3. Price and Work Hours
- C. Firms may be interviewed
- D. Background Check
- E. Oral Presentations, if Held
- F. Final Selection
- G. Right to Reject Proposals

APPENDICES

- A. Format for Schedule of Professional Fees and Expenses to Support the Total All-Inclusive Maximum Price
- B. Format for Schedule of Professional Fees and Expenses for Additional Services Described in Appendix F
- C. Format for Schedule of Professional Fees and Expenses for Additional Services Not Specified in Appendix F
- D. Scope of Services
- E. Additional Services
- F. Services Agreement

NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL
REQUEST FOR QUALIFICATIONS
RFQ A2019-01 Audit Services

I. INTRODUCTION

A. General Information

The NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL (also known as the North Front Range Metropolitan Planning Organization or “MPO”) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2019, with a renewal option, at the MPO's discretion, for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, the provisions of the federal Single Audit Act of 1984 and Title 2 of the Code of Federal Regulations, if required. Such audits shall also be in accordance with the State of Colorado Local Government Audit Law.

The MPO will not reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, one electronic copy in Microsoft Word or Adobe PDF must be received by the North Front Range MPO Merideth Kimsey at mkimsey@nfrmpo.org or 419 Canyon Avenue, Suite300, Fort Collins, CO 80521 by 3:00 pm on September 24, 2109. The MPO reserves the right to reject any or all proposals submitted. **Proprietary information needs to be identified and placed in separate section of your response.**

Proposals submitted will be evaluated and interviews conducted by a selection committee made up of Finance Committee members and staff. During the evaluation process, the MPO reserves the right, where it may serve the MPO's best interest, to request additional information or clarifications from firms submitting proposals, or to allow corrections of errors or omissions.

The MPO reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this qualifications proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the MPO and the firm selected.

Interviews for the top ranked firms will be held the afternoon of October 7, 2019.

It is anticipated that the selection of a firm will be completed by October 15, 2019. Following the notification of the selected firm it is expected that a contract will be executed between both parties by November 15, 2019.

B. Term of Engagement

A one-year contract is contemplated, with four possible renewals subject to the review and recommendation of the Finance Committee, satisfactory completion of the 2019 audit, and the satisfactory negotiation of terms.

C. Subcontracting

Firms submitting proposals are encouraged to consider subcontracting portions of the engagement to small audit firms or audit firms owned and controlled by socially and economically disadvantaged individuals. If this is to be done, that fact, and the name of the proposed subcontracting firms, must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the MPO.

II. NATURE OF SERVICES REQUIRED

A. General

The MPO is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2019, with a renewal option, at the MPO's discretion, for each of the four subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for qualifications.

B. Scope of Work

The North Front Range MPO is an association of local governments formed to meet local needs and federal transportation and air quality planning requirements in the North Front Range. It is one of five MPO's in the State of Colorado, yet research has found that few MPO's in the nation operate in a similar manner with regard to financial reporting structure. Legal opinions regarding the North Front Range MPO have found that it meets the definition of "local government", and it is therefore subject to Colorado Audit and Budget laws, however since it is not a taxing authority, it is not subject to TABOR. Nearly all of the financial activity of the MPO General Fund is made up of three primary contracts of federal funds and applicable local match. The contracts are on a cost reimbursement basis. There is also a vanpooling program (Enterprise Fund) that includes fare program revenues. The 2019 budget for the MPO was approximately 2.8 million. The MPO administrative personnel, depending on staffing, may prepare the first draft of year-end financial statements. Proposals will need to provide compensation information with the MPO completing a draft of year-end financial statements.

The MPO desires the auditor to express an opinion on the fair presentation of its basic financial statements with "in-relation-to" coverage on any combining or individual nonmajor fund statements in conformity with generally accepted accounting principles. Such opinion shall be included in the MPO's Annual Financial Statements. Currently, the MPO has two funds, the General Fund, and an enterprise fund for the VanGo™ program.

The auditor shall be responsible for performing certain limited procedures involving required supplementary information, including Management's Discussion and Analysis, required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The MPO may issue a report to comply with the requirements of the Single Audit Act of 1984 depending on the amount of federal funds it receives in any year. Included in the Single Audit Report, if required, is the MPO's Schedule of Expenditures of Federal Awards. The auditor is not required to audit the Schedule of Expenditures of Federal Awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

In connection with, and as part of, the audit engagement, the MPO has determined specific inquiries, procedures, and reports to be completed by the auditor which extend beyond those required in a financial audit. Such procedures shall be performed as a part of each audit engagement and appropriate reports submitted to the MPO containing such information as is necessary to inform the MPO Council and the Finance Committee about these matters. See Appendix D for specific procedures to be followed and reports to be provided.

C. Required Auditing Standards

To meet the requirements of this request for qualifications, the audit shall be performed in accordance with generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1984 and the provisions of Title 2 of the Code of Federal Regulations Audits of States, Local Governments and Non-Profit Organizations. Such audits shall also be in accordance with the State of Colorado Local Government Audit Law.

D. Required Reports

Following the completion of the audit of the financial statements, the auditor shall issue the following reports:

Report on Basic Financial Statements

1. A report on the fair presentation of the MPO's basic financial statements in conformity with generally accepted accounting principles. This report will be reproduced by the MPO in connection with the issuance of its annual financial statements.

Reports Included with Single Audit Reports for the MPO IF REQUIRED

1. A report on the internal control structure based on the auditors' understanding of the control structure and assessment of control risk.
2. A report on compliance with applicable laws and regulations.

3. An "in-relation-to" report on the Schedule of Expenditures of Federal Awards.
4. A report on the internal control structure used in administering federal financial assistance programs.
5. A report on compliance with specific requirements applicable to each major federal financial assistance program.

In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report[s] on internal controls.

The reports on compliance shall include all instances of noncompliance.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the management officials above the level of involvement as well as the MPO Council.

Reporting to the Finance Committee – Auditors shall assure themselves that the MPO Finance Committee is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements

E. Special Considerations –The auditor should have a working knowledge of Microsoft Dynamic -Great Plains in order to evaluate the MPO finances.

1. Please note that the MPO may wish to issue its basic financial statements with accompanying report of independent accountants for various business purposes and the MPO may so do without consent or knowledge of such issuance by the auditor.

2. The MPO has determined that the United States Department of Transportation will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984 and Title 2 of the Code of Federal Regulations,

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the MPO of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the parties or their designees listed immediately below. Such requests which are initiated by the MPO will not be used to compromise the integrity of current or future engagements or to obtain audit programs or other trade secrets which are proprietary to the Auditor.

U.S. Department of Transportation

U.S. General Accounting Office (GAO)

Colorado Department of Transportation.

Parties designated by the federal or state governments or by the MPO as part of an audit quality review process

Auditors of entities of which the MPO is a sub-recipient of grant funds

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE MPO

A. Contact Person

The auditor's principal contact with the MPO will be Merideth Kimsey, Accounting Clerk III.

B. Background Information

The North Front Range MPO is an organization of local governments that is responsible for long range transportation planning in the North Front Range. There are fifteen local government members in the MPO which are Fort Collins, Greeley, Loveland, Timnath, Berthoud, Windsor, Johnstown, Milliken, Evans, Garden City, LaSalle, Eaton, Severance, and Weld and Larimer Counties. The Colorado Department of Transportation (CDOT) and the Colorado Department of Public Health and Environment (CDPHE) Air Pollution Control Division (APCD) are also members. 2003 was the first year that the MPO operated independently from the City of Fort Collins' financial system and was thus the first year it had its own independent audit. Background information regarding the MPO and its finances is available in the MPO 's 2018 Annual Financial Statements and Single Audit Report. Additional information, including budget information, can be found in the FY2018 and FY 2019 Unified Planning Work Programs (UPWP). Copies of these documents are available for inspection on the North Front Range MPO website:

www.nfrmpo.org, or at the MPO office. On the website, click on the About tab and go to Finance & Work program. Both documents can be downloaded at the bottom of this page. Please contact Merideth Kimsey, at (970) 416-2252 to arrange to see these documents at the MPO office.

C. Computer Systems – Hardware & Software Applications

Dell Desktop PC's
Applications: Great Plains 2015; Microsoft Excel; iSolved HCM Payroll Service
Operating System: Microsoft Windows 7

D. Internal Audit Function

The MPO does not maintain a formal internal audit function.

E. Availability of Prior Audit Working Papers

The MPO's 2016-2018 audits were performed by Eide Bailly. Audit firms submitting proposals will not be permitted to review prior auditors' working papers during the RFQ process. However, the selected successor auditor will be granted access to prior auditors' working papers after the contract is awarded.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date oral interviews are conducted:

Request for qualification issued	September 3, 2109
Due date for proposals	September 24, 2019
Staff ratings completed; short list developed	October 1, 2019
Interviews if required; starting at 1:30 p.m.	October 7, 2019

B. Notification and Contract Dates

Selected firm notified	October 14, 2019
Contract date	November 14, 2019

C. Date Audit May Commence

The MPO will have all records ready for interim audit work and appropriate management personnel available to meet with the firm's personnel in January after contract negotiations are completed.

D. Schedule for the 2019 Fiscal Year Audit
Auditor should provide a work plan to be agreed upon by the MPO prior to commencement of fieldwork each year. Note: Final opinions must be dated no later than April 30th each year. The work plan should include:

1. Interim Work
2. Detailed Audit Plan

The auditor shall provide MPO by December 31, 2019, both a detailed audit plan and a list of all schedules to be prepared by the MPO as well as a list of required confirmations.

3. Reports

Drafts of the audit opinions and final opinions are to be dated no later than April 30, 2020. Recommendations to management shall be made available for review by management no later than April 11, 2020, with the final Management Report being dated no later than April 30, 2020.

Annual Financial Statements

If the Administration Team prepares draft financial statements including management discussion and analysis (MD&A), notes, and required supplementary information, they will be completed by about March 20, 2020. The auditor shall provide all recommendations, revisions and suggestions for improvement to the Financial Director by April 10, 2020. Once the Finance Director has reviewed these recommendation and suggestions, the auditors will make all agreed upon revisions to the financial statements including MD&A and notes. Draft reports will be presented to the Finance Committee on or about April 20, 2020. It is anticipated that the final report will be delivered to the MPO on or about May 1st. A signed auditor's opinion will be needed for the report by that date. The final report will be presented to Council on or about May 7, 2020.

If the Administration Team does not prepare the draft financial statements including management discussion and analysis (MD&A), notes, and required supplementary information, and the selected audit firm prepares these items, all applicable dates will still apply.

Single Audit for the North Front Range MPO

The Administration Team shall complete preliminary drafts of the Schedule of Expenditures of Federal Awards (EFA) by about March 20, 2020. The final Schedule of SEFA will be completed by April 15, 2020. It is anticipated that the final report will be delivered to the MPO on or about May 1st. All applicable signed opinions will be needed for inclusion into the report by that date.

- E. Entrance Conferences, Progress Reporting and Exit Conferences (A similar time schedule will be developed for audits of future fiscal years if the MPO exercises its option for additional audits).

At a minimum, the following conferences should be held:

- a. Entrance conference with key Administration Team personnel

The purpose of this meeting will be to discuss prior audit issues and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for workspace and other needs of the auditor.

- b. Progress conference with key Administration Team personnel

The purpose of this meeting will be to summarize the results of the preliminary review and to identify the key internal controls or other matters to be tested.

- c. Progress conference with Finance Committee, if necessary

- d. Exit conference with the Finance Committee and key Administration Team personnel,

The purpose of this meeting will be to summarize the results of the field work and to review significant findings.

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

- A. Administration Team Assistance

The Administration Team and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of requested confirmations will be the responsibility of the MPO.

- B. Electronic Data Processing (EDP) Assistance

The auditor will be provided access to MPO computer hardware and software as needed.

- C. Work Area, Telephones, Photocopying and FAX Machines

The MPO will provide the auditor with reasonable workspace, tables and chairs. The auditor will also be provided with access to one telephone line, one data line, photocopying facilities, and FAX machines subject to the following restrictions:

Long-distance telephone calls and faxes shall be made at the auditor's expense.

D. Statements, Schedules and Working Papers to be prepared by Administration Team

The Administration Team, depending on staffing, may prepare a first draft of all financial statements, schedules, and other information to be included in the Annual Financial Statements. They also may prepare the first draft of the Schedule of Expenditures of Federal Awards to be included in the Single Audit Report. Financial statements are generated using the MPO's Great Plains Software and final camera-ready copies are generated through customized PC spreadsheets and word processing programs.

E. Administration Team Profile

The Administration Team consists of the Finance Director, Accounting Clerk III and Accounting Clerk I. The MPO is currently in the process of hiring a Finance Director. The Accounting Clerk III has 4.5 years' experience with the MPO. The Accounting Clerk I has been with the MPO 2 year.

F. Report Preparation

Preparation of the First Draft of the Annual Financial Statements may be the responsibility of the MPO, depending on staffing. The auditing firm shall make all agreed upon changes to the draft Annual Financial Statements. The Financial Statements, opinions and reports will be printed for distribution by the auditing firm

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for qualifications and the subject of the request for qualifications must be made to:

Merideth Kimsey, Accounting Clerk III
North Front Range Transportation & Air Quality Planning Council
419 Canyon Avenue, Suite 300
Fort Collins, CO 80521
(970) 416-2252

UNLESS OTHERWISE SPECIFIED HEREIN, CONTACT WITH PERSONNEL OF THE NORTH FRONT RANGE MPO OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR QUALIFICATIONS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposals

The following material is required to be received by September 24, 2019, for a proposing firm to be considered:

a. One electronic copy in Microsoft Word or Adobe PDF of a Technical Proposal to include the following:

i. Title Page

Title page showing the request for qualifications subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the audit firm's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for a five year period beginning with the 2019 fiscal year audit and ending with the 2023 fiscal year audit.

iv. Technical Proposal

The technical proposal should follow the order set forth in Section VI B, items 2-8 of this request for qualifications.

v. Dollar Cost Bid

The dollar cost bid should follow the order set forth on Appendix A

vi. W-4

A signed W-4 should be returned with the proposal

- b. Audit firms submitting proposals should send or deliver the completed proposal to the following address:

North Front Range MPO
Merideth Kimsey, Accounting Clerk III
419 Canyon Avenue, Suite 300
Fort Collins, CO 80521
mkimsey@nfrmpo.org

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit and additional services for the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL conforming to the requirements of this request for qualifications. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for qualifications requirements.

The Technical Proposal should address all the points outlined in the request for qualifications. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the audit firm's capabilities to satisfy the requirements of the request for qualifications.

While additional data may be presented, the following subjects, items Nos. 2 through 8, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL as defined by generally accepted auditing standards, the U.S.

General Accounting Office's Government Auditing Standards.

The firm also should provide an affirmative statement that it is independent of all of the component units of the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL as defined by those same standards.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL or any of its boards, commissions, and agencies or component units and agencies, for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL written notice of any professional relationships entered into during the period of the engagement.

3. License to Practice in Colorado

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

4. Firm Qualifications and Experience

The audit firm should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the audit firm is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

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

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including

engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Colorado. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured. Indicate how all levels of staff keep "current" in their knowledge of governmental accounting, auditing, and financial reporting as well as federal and state laws and regulations which may have a financial impact on the MPO.

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

Consultants and firm specialists mentioned in response to this request for qualification can only be changed with the express prior written permission of the MPO, which retains the right to approve or reject replacements.

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

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this request for qualifications.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partner(s), total hours, and the name and telephone number of the principal client contact. Indicate whether or not a single audit was provided.

A description of other governmental engagements performed by the local office in the past five years may be included as a supplementary schedule in the proposal.

7. Specific Audit Approach

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

II of this request for qualification.

Audit firms submitting proposals will be required to provide the following information on their audit approach:

- a. How you envision understanding and auditing various major segments of the MPO's accounting system including, but not limited to cash, investments, receivables, fixed assets, long-term debt, payroll, revenues, and expenditures.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the MPO internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

8. Identification of Anticipated Potential Audit Problems

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

C. Dollar Cost Bid

1. Total All-Inclusive Maximum Price for both a single audit and a non-single audit

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for qualification. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses with the assumption the MPO will prepare draft Financial Statements including MD&A, notes and required supplementary information.

The NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

The first page of the dollar cost bid should include the following information:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL. The cost proposal should also certify that the bid is good for at least 60 days.
- c. A Total All-Inclusive Maximum Price for the 2019 audit engagement.

2. Rates by Partner, Specialist, Supervisory and staff level times hours anticipated for each. (Gantt Chart)

The second page of the dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix A), that supports the total all-inclusive maximum price of performing the 2019 audit. The cost of additional services described in Appendix E of this request for qualification should be the third page of the dollar cost bid utilizing the format provided in the attachment (Appendix B).

3. Rates for Other Professional Services

If it should become necessary for the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL to request the auditor to render any other services not specified or requested in this RFQ then such other work shall be performed only if set forth in an addendum to the contract between the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL and the firm. Any such additional work agreed to between the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL and the firm shall be performed at the rates set forth in the schedule of fees and expenses included in the dollar cost bid indicated using the format in Appendix C. This should be the fourth page of the dollar cost bid.

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports. No upfront payment will be provided.

VII. EVALUATION PROCEDURES

Firms will be evaluated using the criteria enumerated below. These criteria will be the basis for review of the written proposals as well as the oral interviews, if required

The rating scale shall be from 1 to 5 for each criterion, with 1 being a poor rating, 3 being an average rating, and 5 being an outstanding rating. Each criterion also has a weighting factor as disclosed below.

A. Review of Proposals

The selection committee will use the point formula during the review process to score proposals. The Selection Committee will individually score each proposal by the criteria described in Section B below.

B. Evaluation Criteria

Proposals are evaluated using three sets of criteria. Firms meeting the mandatory criteria (section 1 below) will have their proposals evaluated and scored for both technical qualifications (section 2) and price. The following represent the principal selection criteria which are considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent, licensed to practice in Colorado and not on the state debarment list.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the North Front Range Transportation & Air Quality Planning Council.
- c. The firm adheres to the instructions in the request for qualification on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

2. Technical Quality

- a. Firm capability--weighting factor = 3.0
 - i. The firm's past experience and performance on comparable government or MPO engagements.
 - ii. The firm's experience in performing Single Audit engagements.
 - iii. The firm's experience and performance in providing timely and relevant management comments and advice to governing boards and staff of similar governmental entities

- iv. The firm's knowledge of Microsoft Dynamics Great Plains accounting software.
 - b. Assigned personnel--weighting factor = 2.0
 - i. The quality of the firm's professional personnel assigned to the engagement and the quality of the firm's management support personnel available for technical consultation.
 - c. Scope of Proposal--weighting factor = 2.0
 - i. Adequacy of proposed staffing plan for various segments of the engagement.
 - ii. Adequacy of sampling techniques.
 - iii. Adequacy of analytical procedures.
 - iv. Understanding of the objectives of the audit, including supplemental work to be completed.
 - d. Availability--weighting factor = 1.0
 - i. Adequacy of proposed timing of completing all steps involved in the engagement.
 - ii. Availability of the firm's staff to consult with the MPO on finance-related matters.
 - e. Motivation--weighting factor = 1.0
 - i. Interest in completing the work in an effective, efficient, and timely manner.
- 3. Price and work hours--weighting factor = 2.0

C. Firms may be interviewed

After proposals are evaluated, the Staff Committee will develop a list of up to three firms to be interviewed based on the total point evaluation. The MPO reserves the right to select a firm without holding interviews.

D. Background Check

A detailed background check will be made of all firms to be interviewed. This will include contact with the Colorado Society of CPAs, Colorado State Board of Accountancy, and references listed in the proposal. In addition, the firm may be contacted regarding other matters of significance noted in the proposal. The results of the background check are used by the selection committee in ranking the firms.

E. Oral Presentations, if held

During the evaluation process, oral presentations may be made. Such presentations will provide firms with an opportunity to answer any questions the Finance Committee or staff may have on a firm's proposal. During the interviews, the selection committee will assign points to the various technical and cost criteria described above. **Please note:** Firms selected for interviews should clear their calendars for interviews beginning at **1:30 p.m., October 7, 2019**, to meet with the selection committee. Interviewed firms should be prepared to bring key staff at all levels to the interview.

F. Final Selection

Rankings will be done by the selection committee and the responsive firm with the top score will be selected.

Following notification of the firm selected, it is expected a contract will be executed between both parties by November 14, 2019.

G. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for qualification unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL and the firm selected.

The NORTH FRONT RANGE TRANSPORTATION & AIR QUALITY PLANNING COUNCIL reserves the right without prejudice to reject any or all proposals.

APPENDICES

- A. Format for Schedule of Professional Fees and Expenses to Support the Total All-Inclusive Maximum Price
- B. Format for Schedule of Professional Fees and Expenses for Additional Services Described in Appendix E
- C. Format for Schedule of Professional Fees and Expenses for Additional Services Not Specified in Appendix E
- D. Scope of Services
- E. Additional Services
- F. Services Agreement

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDITS OF THE 2019 NORTH FRONT RANGE MPO FINANCIAL STATEMENTS
AND RELATED 2019 SINGLE AUDITS

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify):	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____
Out-of-pocket expenses:				
Meals and lodging				_____
Transportation				_____
Other (specify):				_____

Total all-inclusive maximum price for 2019 audit

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR ADDITIONAL SERVICES

(SERVICES ARE DESCRIBED IN RFQ APPENDIX E

<u>Nature of Service To Be Provided</u>	<u>Maximum All-Inclusive Total Price Single Audit</u>	<u>Maximum All-Inclusive Total Price Non Single Audit</u>
<u>2019 Audits of North Front Range MPO*</u>	_____	_____
<u>Preparation of the 2019 Audited Financial Statements</u>	_____	_____
<u>2020 Audits of North Front Range MPO*</u>	_____	_____
<u>Preparation of the 2020 Audited Financial Statements</u>	_____	_____
<u>2021 Audits of North Front Range MPO*</u>	_____	_____
<u>Preparation of the 2021 Audited Financial Statements</u>	_____	_____
<u>2022 Audits of North Front Range MPO*</u>	_____	_____
<u>Preparation of the 2022 Audited Financial Statements</u>	_____	_____
<u>2023 Audits of North Front Range MPO*</u>	_____	_____
<u>Preparation of the 2023 Audited Financial Statements</u>	_____	_____

*MPO prepares first draft of financial statements

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR ADDITIONAL SERVICES NOT SPECIFIED IN APPENDIX E:

	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	
Partners	_____	_____	
Managers	_____	_____	
Supervisory Staff	_____	_____	
Staff	_____	_____	
Other (specify):	_____	_____	
Out-of-pocket expenses:			_____
Meals and lodging (amount per person per day)			_____
Transportation (cents-per-mile)			_____
Other (specify):			_____

This schedule should reflect the hourly rates for any additional work outside the scope of this RFQ if the MPO requests it.

SCOPE OF SERVICES

In connection with, and as part of, the audit engagement, the MPO has determined specific inquiries, procedures, and reports to be completed by the auditor which extend beyond those required in a financial audit. Such procedures will be performed as a part of each audit engagement and appropriate reports (management letters) submitted to the North Front Range MPO containing such information as is necessary to inform the MPO Council about these matters.

1. Provide hourly rate schedule to be used for these services.
2. Provide a briefing on new statutes or regulations which may have a significant financial impact on the MPO.
3. Provide highlights of areas in which the MPO is managing its financial affairs well.
 - a. Indicate notable accomplishments such as the fact that there have been no audit adjustments made.
4. Provide highlights of areas in which the MPO could improve its financial management.
 - a. If there are areas of concern which management is already addressing, say so.
 - b. Point out inefficiencies noted.
 - c. Point out problems; recommend solutions.
 - d. Provide a synopsis of the three most important financial matters which the MPO needs to address in the coming year.
5. Provide a briefing on the potential impact of new or proposed GASB pronouncements on the MPO's operations and financial statements. Also point out new auditing standards which may affect the MPO.
6. Update the progress of previous management letters to the Finance Committee and/or Council.
7. In a separate letter, indicate reportable conditions and material instances of noncompliance required by generally accepted auditing standards.

ADDITIONAL SERVICES

1. As stated in Section I B of the RFQ, the MPO intends that the term of its engagement with the selected firm will be five years, subject to an annual review and recommendation of the Finance Committee. Firms should include in their proposal an all-inclusive maximum price for the audit of each of the subsequent four years with the MPO providing first draft financial statements using the form provided in Appendix B. The all-inclusive maximum price of the auditing firm preparing financial statements for each of the five years should also be included using the form provided in Appendix B.

SERVICES AGREEMENT

Attached is a copy of the MPO's standard Services Agreement. The firm selected in this RFQ process should expect to sign a similar agreement, modified for the particulars of the audit and this RFQ in order to complete the auditor selection process.

AGREEMENT FOR PROFESSIONAL SERVICES TEMPLATE

THIS AGREEMENT is made and entered into this ____ day of _____, 20__, by and between THE NORTH FRONT RANGE TRANSPORTATION AND AIR QUALITY PLANNING COUNCIL (the "MPO"), and _____ an independent consultant with a principal place of business at _____ ("Consultant") (collectively the "Parties").

WHEREAS, the MPO requires professional services; and

WHEREAS, Consultant has held itself out to the MPO as having the requisite expertise and experience to perform the required professional services.

NOW, THEREFORE, for the consideration hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. SCOPE OF SERVICES

A. Consultant shall furnish all labor and materials required for the complete and prompt execution and performance of all duties, obligations, and responsibilities which are described or reasonably implied from the Scope of Services set forth in the attached **Exhibit A**.

B. A change in the Scope of Services shall not be effective unless authorized as an amendment to this Agreement. If Consultant proceeds without such written authorization, Consultant shall be deemed to have waived any claim for additional compensation, including a claim based on the theory of unjust enrichment, quantum merit or implied contract. Except as expressly provided herein, no agent, employee, or representative of the MPO is authorized to modify any term of this Agreement, either directly or implied by a course of action.

II. TERM

This agreement shall commence upon Executed Contract Date and shall be completed by _____, 2020, unless terminated sooner as herein provided. Pricing changes shall be negotiated by and agreed to in writing by both parties

III. COMPENSATION

A. In consideration for the completion of the Scope of Services by Consultant, the MPO shall pay Consultant an amount not to exceed _____. This maximum amount shall include all fees, costs and expenses incurred by Consultant, and no additional amounts shall be paid by the MPO for such fees, costs and expenses. The compensation paid under this Agreement is based on the Cost Proposal attached hereto as **Exhibit B**.

B. Notwithstanding the maximum amount specified in Paragraph A hereof, Consultant shall be paid only for work performed. If Consultant completes the Scope of Services for a lesser amount than the maximum amount, Consultant shall be paid the lesser amount, not the maximum amount.

C. Consultant shall submit invoices to the MPO on a monthly basis for all services rendered during the month represented on the invoice. Such invoices shall detail, with appropriate documentation, the task performed, the individuals working on such task, and expenses incurred with supporting documentation. Each invoice will contain all hours and expenses from the Consultant for

the month. Upon receipt of an invoice and Prompt Payment Authorization, the MPO shall pay all undisputed amounts within thirty (30) days.

IV. PROFESSIONAL RESPONSIBILITY

A. Consultant hereby warrants that it is qualified to assume the responsibilities and render the services described herein and has all requisite corporate authority and professional licenses in good standing, required by law.

B. The work performed by Consultant shall be in accordance with generally accepted professional practices and the level of competency presently maintained by other practicing professional firms in the same or similar type of work in the applicable community. The work and services to be performed by Consultant hereunder shall be done in compliance with applicable laws, ordinances, rules and regulations.

C. The MPO's review, approval or acceptance of, or payment for any services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

D. Because the MPO has hired Consultant for its professional expertise, Consultant agrees not to employ subcontractors to perform any of the work required under the Scope of Services without the prior written consent of the MPO

E. Commencing at the end of the calendar month following the date of execution of this Agreement and every calendar month end thereafter, Consultant shall provide the MPO with a written report of the status of the work. Failure to provide any required monthly report may, at the option of the MPO, suspend the processing of any partial payment request.

V. OWNERSHIP

The materials, items, and work specified in the Scope of Services, together with any and all related documentation and materials provided or developed by Consultant shall be exclusively owned by the MPO. Consultant expressly acknowledges and agrees that all work performed under the Scope of Services constitutes a "work made for hire." To the extent, if at all, it shall not constitute a "work made for hire," Consultant hereby transfers, sells, and assigns to the MPO all of its right, title, and interest in such work. Other entities that may reproduce, publish, or otherwise use the designs, plans, reports, specifications, drawings, and other services rendered by the Consultant include but are not limited to the Colorado Department of Transportation ("CDOT"), the Federal Transportation Administration ("FTA"), and the Federal Highway Administration ("FHWA").

VI INDEPENDENT CONTRACTOR

Consultant is an independent contractor. Notwithstanding any other provision of this Agreement, all personnel assigned by Consultant to perform work under the terms of this Agreement shall be, and remain at all times, employees or agents of Consultant for all purposes. Consultant shall make no representation that it is an MPO employee for any purposes.

VII. INSURANCE

A. Consultant agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by Consultant pursuant to this Agreement. Such insurance shall be in addition to any other insurance requirements imposed by law.

B. Consultant shall procure and maintain and shall cause any subcontractor of Consultant to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the MPO. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Worker's compensation insurance to cover obligations imposed by applicable law for any employee engaged in the performance of work under this Agreement, and Employer's Liability insurance with minimum limits of five hundred thousand dollars (\$500,000) each accident, one million dollars (\$1,000,000) disease – policy limit, and one million dollars (\$1,000,000) disease – each employee. Evidence of qualified self-insured status may be substituted for the worker's compensation requirements of this Paragraph.

2. Commercial general liability insurance with minimum combined single limits of two million dollars (\$2,000,000) each occurrence and two million dollars (\$2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall contain a severability of interests provision and shall be endorsed to include the MPO and the MPO's officers, employees, and contractors as additional insureds. No additional insured endorsement shall contain any exclusion for bodily injury or property damage arising from completed operations.

3. Professional liability insurance with minimum limits of two million dollars (\$2,000,000) each claim and two million dollars (\$2,000,000) general aggregate.

C. Any insurance carried by the MPO, its officers, its employees, or its contractors shall be excess and not contributory insurance to that provided by Consultant. Consultant shall be solely responsible for any deductible losses under any policy.

D. Consultant shall provide to the MPO a certificate of insurance, completed by Consultant's insurance agent, as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect. The certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be cancelled, terminated or materially changed until at least thirty (30) days prior written notice has been given to the MPO. The MPO reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

E. Failure on the part of Consultant to procure or maintain the insurance required herein shall constitute a material breach of this Agreement upon which the MPO may immediately terminate this Agreement, or at its discretion, the MPO may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith,

and all monies so paid by the MPO shall be repaid by Consultant to the MPO upon demand, or the MPO may offset the cost of the premiums against any monies due to Consultant from the MPO.

VIII. INDEMNIFICATION

Consultant agrees to indemnify and hold harmless the MPO and its officers, insurers, volunteers, representative, agents, employees, heirs and assigns from and against all claims, liability, damages, losses, expenses and demands, including attorney fees, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Agreement if such injury, loss, or damage is caused in whole or in part by, the act, omission, error, professional error, mistake, negligence, or other fault of Consultant, any subcontractor of Consultant, or any officer, employee, representative, or agent of Consultant, or which arise out of a worker's compensation claim of any employee of Consultant or of any employee of any subcontractor of Consultant. Consultant's liability under this indemnification provision shall be to the fullest extent of, but shall not exceed, that amount represented by the degree or percentage of negligence or fault attributable to Consultant, any subcontractor of Consultant, or any officer, employee, representative, or agent of Consultant or of any subcontractor of Consultant. If Consultant is providing architectural, engineering, surveying or other design services under this Agreement, the extent of Consultant's obligation to indemnify and hold harmless the MPO may be determined only after Consultant's liability or fault has been determined by adjudication, alternative dispute resolution or otherwise resolved by mutual agreement between the Parties, as provided by C.R.S. § 13-50.5-102(8)(c).

IX. TERMINATION

A. This Agreement shall terminate when all the work described in the Scope of Services is completed to the MPO's satisfaction, no later than _____, 2020 or upon the MPO's providing Consultant with seven (7) days advance written notice, whichever occurs first. Upon receipt of the notice, Consultant shall immediately discontinue all work, except as permitted by the MPO in writing and deliver to MPO all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. If the Agreement is terminated by the MPO's issuance of written notice, the MPO shall pay Consultant for all work authorized and completed prior to the date of termination.

B. If Consultant defaults or fails or neglects to carry out the Agreement, or any part thereof, or fails to perform any provision of this Agreement, the MPO, after seven (7) days written notice to Consultant and without prejudice to any other remedy the MPO may have, may make good such deficiencies and may deduct the cost thereof, including compensation for any additional services made necessary thereby, from the payment then or thereafter due the Consultant. Or, at the MPO's option after said notice, the MPO may terminate this Agreement and may finish the project by whatever method the MPO deems expedient, and if the unpaid balance of the compensation exceeds the expense of finishing the project, such excess shall be paid to the Consultant, but if such expense exceeds such unpaid balance, the Consultant shall upon demand pay the difference to the MPO.

C. Notwithstanding the time periods contained herein, the MPO may terminate the Agreement at any time for the MPO's convenience. The MPO shall notify the Consultant of such termination by providing the Consultant with seven (7) days advance written notice. Upon receipt of the notice, Consultant shall immediately discontinue all work, except as permitted by the MPO in writing and deliver to MPO all data, drawings, specifications, reports, estimates, summaries, and other

information and materials accumulated in performing this contract, whether completed or in process. If the Agreement is terminated by the MPO's issuance of written notice, the MPO shall pay Consultant for all work authorized and completed prior to the date of termination.

X. ILLEGAL ALIENS

A. Certification. By entering into this Agreement, Consultant hereby certifies that, at the time of this certification, it does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that Consultant will participate in either the E-Verify Program administered by the United States Department of Homeland Security and Social Security Administration or the Department Program administered by the Colorado Department of Labor and Employment in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement

B. Prohibited Acts. Consultant shall not:

(1) Knowingly employ or contract with an illegal alien to perform work under this Contract; or

(2) Enter into a contract with a subcontractor that fails to certify to Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract.

C. Verification.

(1) If Consultant has employees, Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

(2) Consultant shall not use the E-Verify Program or Department Program procedures to undertake pre-employment screening of job applicants while this Contract is being performed.

(3) If Consultant obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien who is performing work under the Agreement, Consultant shall:

1. Notify the subcontractor and the MPO within three (3) days that Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien who is performing work under the Agreement; and

2. Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to subsection (1) hereof, the subcontractor does not stop employing or contracting with the illegal alien who is performing work under the Agreement; except that Consultant shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien who is performing work under the Agreement.

D. Duty to Comply with Investigations. Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation conducted pursuant to C.R.S. § 8-17.5-102(5)(a) to ensure that Consultant is complying with the terms of this Contract.

E. If Consultant does not have employees, Consultant shall sign the “No Employee Affidavit” attached hereto.

F. If Consultant wishes to verify the lawful presence of newly hired employees who perform work under the Agreement via the Department Program, Consultant shall sign the “Department Program Affidavit” attached hereto.

XI. FEDERAL PROVISIONS

A. Equal Employment Opportunity compliance.

1. Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action includes but is not limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. Consultant shall, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3. Consultant shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Consultant's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Consultant shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. Consultant shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Consultant's non-compliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated or suspended in whole or in part, and the Consultant may be declared

ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. Consultant shall include the provisions of this Section XI(A) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, in order that each of the foregoing provisions shall be binding upon each subcontractor or vendor. Consultant shall take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

D. **Clean Air Act and Clean Water Act compliance.** Consultant shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401-7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251-1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

E. **Energy Efficiency Standards compliance.** If applicable, Consultant shall comply with mandatory standards and policies relating to energy efficiency contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act, [42 U.S.C. 6201](#).

F. **Debarment / Suspension compliance.** By execution of this Agreement, Consultant represents that it is not a party listed on the government-wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part [1986](#) Comp., p. 189) and 12689 (3 CFR Part [1989](#) Comp., p. 235). Consultant further represents it is not otherwise excluded or declared ineligible for award of federal funds under any other statutory or regulatory authority.

G. **Byrd Anti-Lobbying Amendment compliance.** If this Agreement includes compensation of \$100,000 or more, Consultant shall file the certification required for compliance with the Byrd Anti-Lobbying Amendment, certifying that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Consultant shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

H. **Procurement of recovered materials.** Consultant must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at [40 CFR part 247](#) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the

preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

I. **Right to inventions made under the Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and involves Consultant's performance of experimental, developmental, or research work, the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations apply.

K. **Prompt Payment of Subcontractors.**

1. The Contractor is required to pay all Subcontractors for all work that the Subcontractor has satisfactorily completed, no later than twenty- five (25) business days after the Contractor has received payment from the MPO
2. The Contractor is required to include, in each subcontract, a clause requiring the use of appropriate arbitration mechanisms to resolve all payment disputes.
3. The MPO will not pay the Contractor for work performed unless and until the Contractor ensures that the Subcontractors have been promptly paid for the work they have performed under all previous payment requests, as evidenced by the submission of the Prompt Payment Affidavit filing to the MPO.
4. Failure to comply with these prompt payment requirements is a breach of the Contract, which may lead to any remedies permitted under law, including, but not limited to, Contractor debarment. In addition, Contractor’s failure to promptly pay its Subcontractors is subject to the provisions of 50 ILCS 505/9.

X. **MISCELLANEOUS**

A. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Larimer County, Colorado.

B. **No Waiver.** Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the MPO shall not constitute a waiver of any of the other terms or obligation of this Agreement.

C. **Integration.** This Agreement and any attached exhibits constitute the entire Agreement between Consultant and the MPO, superseding all prior oral or written communications.

D. **Third Parties.** There are no intended third-party beneficiaries to this Agreement.

E. **Notice.** Any notice under this Agreement shall be in writing, and shall be deemed sufficient when directly presented or sent pre-paid, first class United States Mail to the party at the address set forth on the first page of this Agreement.

F. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

G. Modification. This Agreement may only be modified upon written agreement of the Parties.

H. Assignment. Neither this Agreement nor any of the rights or obligations of the Parties hereto, shall be assigned by either party without the written consent of the other.

I. Governmental Immunity. The MPO, its officers, and its employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to the MPO and its officers or employees.

J. Rights and Remedies. The rights and remedies of the MPO under this Agreement are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit the MPO's legal or equitable remedies, or the period in which such remedies may be asserted, for work negligently or defectively performed.

K. Subject to Annual Appropriations. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligations of the MPO not performed during the current fiscal year are subject to annual appropriation, and thus any obligations of the MPO hereunder shall extend only to monies currently appropriated and shall not constitute a mandatory charge, requirement or liability beyond the current fiscal year.

[Remainder of blank intentionally left blank – signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first set forth above.

**NORTH FRONT RANGE TRANSPORTATION
PLANNING COUNCIL**

Executive Director

CONSULTANT

By: _____

Attest

EXHIBIT A
SCOPE OF SERVICES

PROMPT PAYMENT AFFIDAVIT

Re: Payment Request No. _____

I, _____ (Name), the _____ (Title - e.g., President, Vice President, etc.) of _____ ("Company"), do state the following with regard to payments made under Contract No. _____ ("Contract"):

Subcontractors, at the first tier, both DBE and non-DBE, who completed work and were listed for payment on the prior Payment Request No. _____, were paid no later than twenty-five (25) business days after Company received payment from the MPO.

Company Name

Signature

Print Name

Date: _____

Attest

**EXHIBIT B
COST PROPOSAL**

EXHIBIT C
FTA PATENT CLAUSES

CONTRACTS INVOLVING EXPERIMENTAL, DEVELOPMENTAL, OR RESEARCH WORK.

A. Rights in Data.

1. The term "subject data" means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under this Agreement. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in specifications or related performance or design-type documents; machine forms such as punched cards, magnetic tape, or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to: computer software, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information. The term "subject data" does not include financial reports, cost analyses, and similar information incidental to contract administration.

2. The following restrictions apply to all subject data first produced in the performance of the contract to which this Exhibit has been added:

a. Except for its own internal use, the Consultant may not publish or reproduce subject data in whole or in part, or in any manner or form, nor may the Consultant authorize others to do so, without the written consent of the Federal Government, until such time as the Federal Government may have either released or approved the release of such data to the public; this restriction on publication, however, does not apply to any contract with an academic institution.

b. In accordance with 49 C.F.R. 18.34 and 49 C.F.R. 19.36, the Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for "Federal Government purposes," any subject data or copyright described in subsections (2)(b)(1) and (2)(b)(2) below. As used in the previous sentence, "for Federal Government purposes," means use only for the direct purposes of the Federal Government. Without the copyright owner's consent, the Federal Government may not extend its Federal license to any other party.

1. Any subject data developed under this Agreement, whether or not a copyright has been obtained; and

2. Any rights of copyright purchased by the Consultant using Federal assistance in whole or in part provided by FTA.

c. When FTA awards Federal assistance for experimental, developmental, or research work, it is FTA's general intention to increase transportation knowledge available to the public, rather than to restrict the benefits resulting from the work to participants in that work. Therefore, unless FTA determines otherwise, the Consultant performing experimental, developmental, or research work required by this Agreement agrees to permit FTA to make available to the public, either FTA's license in the copyright to any subject data developed in the course of that contract, or a copy of the subject data first produced under the contract for which

a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of the underlying contract, is not completed for any reason whatsoever, all data developed under that contract shall become subject data as defined in subsection (a) of this clause and shall be delivered as the Federal Government may direct. This subsection (c), however, does not apply to adaptations of automatic data processing equipment or programs for the Consultant's use whose costs are financed in whole or in part with Federal assistance provided by FTA for transportation capital projects.

d. Unless prohibited by state law, upon request by the Federal Government, the Consultant agrees to indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Consultant of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under that contract. The Consultant shall not be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agents of the Federal Government.

e. Nothing contained herein shall imply a license to the Federal Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

f. Data developed by the Consultant and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the underlying contract to which this Exhibit has been added is exempt from the requirements of subsections (b), (c), and (d) of this clause, provided that the Consultant identifies that data in writing at the time of delivery of the contract work.

g. Unless FTA determines otherwise, the Consultant agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.

3. Unless the Federal Government later makes a contrary determination in writing, irrespective of the Consultant's status (*i.e.*, a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education, individual, etc.), the MPO and Consultant agree to take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

4. The Consultant agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.

B. Patent Rights.

1. If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under this Agreement, and that invention, improvement, or discovery is

patentable under the laws of the United States of America or any foreign country, the Consultant agrees to take actions necessary to provide immediate notice and a detailed report to the party at a higher tier until FTA is ultimately notified.

2. Unless the Federal Government later makes a contrary determination in writing, irrespective of the Consultant's status (a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education, individual), the Consultant agrees to take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. Part 401.

3. The Consultant agrees to include the requirements of this clause in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.